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Samsonov on CIS Collective Security Concept

LD2307003394 Moscow Mayak Radio Network in Russian 1830 GMT 22 Jul 94

[Text] A regular conference of the CIS defense ministers took place in Moscow this week. Problems of setting up CIS joint armed forces were discussed. Speaking about the results of the work, Colonel General Viktor Samsonov, chief of staff for coordination of military cooperation of the CIS countries, noted:

[Begin Samsonov recording] The concept of collective security is the totality of what has been agreed by the treaty participant states on averting and removing threats, on joint protection against aggression, and on guaranteeing sovereignty and territorial integrity.

I would like to draw attention, in particular, to the clause of the concept that says the strategic nuclear forces of Russia fulfill the function of restraint from possible aggressive intentions against all CIS participant states.

I will note that the Commonwealth's collective security is based upon the principles of the indivisibility of security, equal responsibility, the collectiveness of defense, of a consensus in the adoption of fundamental decisions in the sphere of defense.

The concept also notes that in the long-term participant states may take the decision to create joint armed forces. Therefore, collective security may be created by collective peacekeeping forces. The main directions for creating effective collective security have been outlined: the drawing closer together of defense legislation, consultations on problems of military organizational development, the development of common approaches for training troops, coordinating questions of operational organization of territories, carrying out joint operational measures and combat training, coordinating both operational and other plans and programs, training cadres, coordinating questions on manufacturing, and repairing equipment and others.

The concept provides for three stages in the formation of a collective security system. At the first stage, the creation of national armed forces must be completed, a system of military and military-technical cooperation must be worked out, and a legal base for the operation of the collective security must be created.

At the second stage, a coalition grouping of troops and a joint air defense system must be created and the question of the formation of joint armed forces must be examined.

At the third stage, the creation of a collective security system must be completed in a practical form. [end recording]

Further on Samsonov Comments

MM2207152794 Moscow KRASNAYA ZVEZDA in Russian 22 Jul 94 p 1

[Report by Gennadiy Meranovich: "Military Cooperation Coordination Staff Sums Up Results"]

[Text] At the press conference held here yesterday, Colonel General Viktor Samsonov, chief of the staff [for the coordination of military cooperation], commented on the results of the session of the CIS Council of Defense Ministers on 18-19 July. He noted that the greatest disagreements among participants in the session were evoked by the draft decisions regulating the performance of peacekeeping operations in the Georgian-Abkhazian conflict zone and material-technical, financial, and cadre support for peacemaking operations in the CIS framework. According to the decision of a joint session of the Council of Defense Ministers and the Council of Foreign Ministers, Gen. Samsonov reported, the question of the form of the CIS countries' participation in this operation is to be examined promptly.

The adoption of the draft concept of collective security of the states party to the Collective Security Treaty was described as the session's most important result. In this regard Col. Gen. Viktor Samsonov drew the journalists' special attention to the provision of the concept in which the Russian Strategic Nuclear Forces are assigned the functions of providing a deterrent to potential aggressive intentions directed against states party to the treaty.

Supranational Body To Coordinate CIS Economic Policies

MK2307091094 Moscow KOMMERSANT-DAILY in Russian 23 Jul 94 p 2

[Report by Konstantin Smirnov: "Supranational CIS Bodies. Commonwealth Economy To Be Managed from One Center"]

[Text] Analysis of economic integration in the former USSR gives rise to the following conclusion: In the CIS, they harness quickly, but ride slowly. Lots of agreements and treaties have already been signed, but their implementation leaves much to be desired. An attempt to mend the situation will be made in September 1994 in Sochi. Yesterday, a group of experts representing virtually all CIS countries was set up to prepare constituent documents of an Interstate Economic Committee [IEC] for the Sochi summit.

The history of setting up the committee, as KOMMERSANT-DAILY already reported in its issue of 15 July, has a certain detective tinge. Before it had time to come to life, the committee was replaced at the Moscow summit this past April with the Commission of the Economic Union as part of the CIS Coordinating Consultative Committee. In the view of Vladimir Pokrovskiy, deputy minister for cooperation with CIS countries and head of the Russian expert group in talks on setting up the IEC, last spring those "on high" in the Commonwealth were not mature enough to form such a committee.

In addition, Mr. Pokrovskiy emphasized in an exclusive interview for KOMMERSANT-DAILY, the first draft statute on the IEC was palliative in nature and for that

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very reason the committee, designed to be the CIS Economic Union's working body, did not have real supranational functions. Moreover, according to KOMMERSANT- DAILY experts, the creation of an interstate economic committee would have called into question the status of the Coordinating Consultative Committee. Now, a Solomonic decision has been found: The IEC, according to the concept of its architects from Russia, Kazakhstan, and Belarus, will be given a supranational status and will be directly subordinate to the Council of CIS Heads of Government. The Coordinating Consultative Committee [CCC] together with its chairman will be converted into the IEC's board. Aleksandr Shokhin, current CCC chairman, liked this solution, so the committee decided to elevate the commission's status to that of an interstate committee. The shift occurred without a snag at the latest CCC meeting (see KOMMERSANT-DAILY of 15 April).

Thus, with one month to go before the Sochi meeting of the CIS prime ministers, the IEC "detective story" appears to have come to an end. The sides have begun to finalize the draft agreement on setting up the committee and its draft statute. According to its architects, the new executive and coordinating body is to assume supranational functions in the areas of anti-monopoly and customs regulation, the standardization and certification of mutual deliveries, energy supply, transportation, and communications.

Only the problem of settlements and payments between CIS countries will be left outside the committee's terms of reference. This area of relations between the former USSR republics will be regulated by the Interstate Bank—as far as the servicing of government credits and payments by state-run enterprises is concerned—and by commercial banks of CIS countries, which even at this stage service up to 70 percent of all mutual settlements. Another international group of experts tasked with devising a concept of the CIS countries' payment system must draw up by 1 September its proposals on setting up a single center for the quotation of national currencies against each other; this could be done, for instance, by the Moscow Interbank Currency Exchange.

Belarus Pioneers Information Network for CIS

MM2207112994 Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 94 First Edition p 6

[Report by Vladimir Bibikov under the "Commonwealth" rubric: "Chief Designers 'Vote' for Unification"—from SOVETSKAYA BELORUSSIYA "Newspaper Within a Newspaper" section]

[Text] At the suggestion of the Belarusian State Committee for Industry and Intersectoral Relations a powerful interstate electronic system of information cooperation among industrial enterprises designed to improve production efficiency is being set up within the CIS framework. A routine conference of the council of the chief designers involved in elaborating it was held in Minsk recently.

"The new unified information system will enable more than 5,000 enterprises in the six major CIS countries to report to potential clients information on the parameters, cost, and sales terms of their output and to obtain analogous information on the materials and products of other producers," Leonid Pavlovich Gancharik, chairman of the council of chief designers and general director of Minsk's "Tsentrsistem" Science and Production Association, said. "By becoming a subscriber, an enterprise will be able to regularly receive thematic information of interest to it without making additional requests. This includes an analysis of the market situation in terms of the availability of a particular commodity and its cost. Deliveries of output under intergovernmental contracts will finally be placed under real operational control."

The advantages of such a global information system are glaringly obvious, as it were. A mere reduction in crosshauls and the "freeing" of middlemen will bring tremendous advantages. Precise knowledge of the market situation frequently plays a cardinal role in the fate of enterprises. It is no coincidence that analogous information systems operate in many industrially developed countries.

The system may be joined by any enterprise which has a conventional telegraph or a telephone channel with a modem link, or a fax. These information "nerves" will come together in republic and regional centers (there will be 12 of them in Russia, for example) linked to each other by a high-speed modem link. But there will not be any "main" center in the system: They are all absolutely equal in their rights and possibilities. This means that no CIS country will take priority in obtaining, processing, or transmitting important production and economic information.

It is no coincidence that the idea of creating a global information network within the CIS framework came into being precisely in Belarus. Here considerable experience in this sphere of science and technology has been accumulated in the "Tsentrsistem" Science and Production Association. It has, for example, drawn up an "ideology" of automating production and management for such major enterprises as Minsk Tractor Plant and Mogilev's "Khimvolokno" Production Association.

Belorussian [Belarusian] specialists are creating a "brain" for the CIS countries' global information system—a package of standard computer programs which will be adapted with regard to local conditions in each country involved in the project.

The cost of setting up such an essential tool of economic communication is relatively small—under U.S.$25,000 for each country involved in the project. But the saving will be far weightier.

ITAR-TASS Carries Press Review for 23 Jul

LD2307065094 Moscow ITAR-TASS in English 0640 GMT 23 Jul 94

["Press Review"—ITAR-TASS headline]

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[Text] Moscow July 23 TASS—All Moscow-based newspapers on Saturday carry articles and photographs dealing with the homecoming of writer Aleksandr Solzhenitsyn.

NEZAVISIMAYA GAZETA runs an interview with Moscow Mayor Yuriy Luzhkov who said: "Solzhenitsyn cannot be associated with any political or other organisation. He belongs to the people. His arrival is very important. Solzhenistsyn is of interest to me because he makes people think, impels people to move not where the rapid stream of the times carries us. He makes us choose the way and try, perhaps contrary to the stream, to move in a direction which will lead us to a better future of Russia".

NEZAVISIMAYA GAZETA on human rights violations in Russia in October 1993. The newspaper runs excepts from a report of the human rights commission to the Russian president. The excerpts deal with encroachments on the rights and freedoms of the individual during the state-of-emergency period in Moscow on Octoder 3-18, 1993, including numerous and often unfounded detentions and arrests of citizens, among them people's deputies, and the suspention of the publication and distribution of 13 opposition newspapers. NEZAVISIMAYA GAZETA is to continue the publication of the commission's report on July 26.

PRAVDA carries an interview with former chief justice of Russia's constitutional court Valeriy Zorkin, one of the founders of the civil "Accord in the Name of Russia" movement, who also dwells on last year's October events.

The main conclusion Zorkin draws when recalling the past is that "we missed a great chance—to build a civilised state in Russia on the principles of the separation of powers and the supremacy of law. The main thing now is to keep from authoritarianism and from changing over to tyranny."

Zorkin predicts an impending disaster, basing himself on "society's movement towards ruin and chaos" and on the prospect of an imminent huge-scale unemployement.

Asked about a way out, he said "it is essential to pool the efforts of all upright people, irrespective of their political views, and concentrate them on simple tasks: to eliminate poverty, economic dislocation, crime, restore order in the state machinery (ridding it of corruption), to boost production and saturate the market with goods, and enforce compliance with laws".

KRASNAYA ZVEZDA (RED STAR) on the financial position of the Russian Armed Forces.

"The Russian leadership is now faced with the choice: to increase appropriations for defence, despite the complex economic situation, or sharply reduce the army, which will make it possible to ensure its normal functionning with the present level of financing. But the latter is fraught not only with its military-technical lagging behind Western countries but also with its internal disintegration which may lead to "the loss of control over stocks of weapons and ammunition and to degradation of safety requirements in the maintenance of nuclear weapons", which should not be allowed in any case.

NEZAVISIMAYA GAZETA runs an interview with Colonel-General Valeriy Patrikeyev, commander of the CIS collective peacekeeping force in Tajikistan, who pointed out: "Of course, there are changes for the better, comparing the current situation with the well-known events of 18 months ago. The republic begins to get out of the shock of civil war. Common sense is prevailing".

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Yeltsin To Talk With Estonian President 26 Jul

LD2507074794 Moscow Radio Rossii Network in Russian 0700 GMT 25 Jul 94

[Text] Boris Yeltsin and Lennart Meri, the presidents of Russia and Estonia, will meet in Moscow on Tuesday, the Russian Ministry of Foreign Affairs told the INTERFAX agency. This evening questions of preparations for the meeting will be discussed at the level of deputy foreign ministers of both countries.

Official Tallinn has reported that the Estonian side intends to remove the existing disagreements and to achieve the completion of the withdrawal of Russian troops by 31 August.

Churkin on Troop Withdrawal From Estonia

LD2307203894 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 23 Jul 94

[Interview with Deputy Foreign Minister Vitaliy Churkin by Aleksandr Korzun from INTERFAX; place and date not given—live or recorded; from the "Novosti" newscast]

[Text] At least it is clear that Russia will not agree to any kind of compromises with the Baltic states. A draft presidential decree has already been drawn up which should take under the wing of the state 25 million of our fellow countrymen from outside the near abroad, and 11 million people historically and culturally linked with Russia. Vitaliy Churkin, deputy minister of foreign affairs, who held talks with the Estonian side in Helsinki this week, proceeded from the principles which form the foundation of this document.

[Begin recording] [Korzun] Vitaliy Ivanovich, to all appearances your talks with Estonian colleagues in Helsinki have ended in failure. What comes next, a hardening of Russia's position or a continuing of the dialogue?

[Churkin] The next thing should be a meeting of the presidents of the two countries. I would not call it a failure. I would say that we did not manage to attain success. Well, we are not losing hope that in the time that is left before the meeting of the two presidents the Estonian side will reexamine its stand regarding the most complicated issue, that of our military pensioners. The fact that this issue has not been resolved makes it impossible for us to complete the withdrawal of our troops from the territory of the Estonian republic and to sign the agreement on this matter which in itself—this agreement on the withdrawal of troops—has been completely drawn up by us.

[Korzun] How do you think they will get out of the impasse in Russian-Latvian relations?

[Churkin] In our relations with Latvia, much will depend on how things develop with regard to the rights and situation of the Russian-speaking population. We have quite a few levers here for influencing matters. For instance, Prime Minister Chernomyrdin was scheduled to visit Latvia to sign a number of important agreements. This visit will not take place at the present time. That is, we are keeping it in hand and will decide whether it will take place, depending on whether we observe positive shifts on the part of the Latvian side with regard to the problems, first and foremost that of human rights.

Churkin on Retirees Issue

LD2307201394 Moscow ITAR-TASS in English 1946 GMT 23 Jul 94

[Text] Moscow July 23 (TASS)—The failure to resolve the problem of Russian military retirees in Estonia prevents Russia from completing the withdrawal of troops from that Baltic republic, Russian Deputy Foreign Minister Vitaliy Churkin said.

In an interview with Russian television on Saturday, Churkin said that the Russian-Estonian talks in Helsinki in which he took part failed to resolve the problem.

However, the Russian side does not lose the hope that Estonia will reconsider its position on Russian military retirees before the upcoming meeting of the Russian and Estonian presidents, he said.

Speaking about Russian-Latvian relations, Churkin noted that much will depend on how Latvia will treat ethnic Russians and protect their rights.

Last Combat Troops To Leave Latvia by 30 Jul

LD2307142494 Moscow Radio Rossii Network in Russian 0900 GMT 23 Jul 94

[Text] The last combat unit of the Russian Amy, the 25th Motorized Infantry Brigade, will be withdrawn from Latvia on 30 July, INTERFAX has been told at the news directorate of the Russian Defense Ministry. On that day a solemn farewell ceremony, attended by the Latvian leadership and foreign diplomats, will take place in the settlement of (Adazhino) near Riga.

At the same time the Defense Ministry spokesman said this did not mean the withdrawal of Russian troops from Latvia ahead of time since communications servicemen, military working brigades, and guard units will stay in this Baltic republic till 31 August, the date defined earlier for a full withdrawal of units.

Grachev, Greece's Arsenis Sign Defense Agreement

LD2507092194 Moscow ITAR-TASS in English 0841 GMT 25 Jul 94

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow July 25 TASS—An agreement on cooperation between Russia and Greece in the defence sphere was signed here today by Russian Defence Minister

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Pavel Grachev and visiting Greek National Defence Minister Yerasimos Arsenis.

Asked about the character of the agreement, the Greek minister told ITAR-TASS that the document provides for "exchanges of military delegations and military experience, the development of training facilities, and can be extended at the end of each year".

According to Pavel Grachev, "this agreement defines all the main forms of cooperation between the two military departments, which cover pure military, as well as cultural, sport and research contacts".

"As concerns military technical cooperation, it lies ahead, hopefully in the nearest future," Grachev said.

Aspects of military technical cooperation will be discussed by the Greek minister on Tuesday during his meetings with Russia's First Vice Premier Oleg Soskovets and Chairman of the State Committee for the Defence Industry Viktor Glukhikh.

The negotiations in the Russian Defence Ministry touched upon the state of relations between the two countries in the military field, specific measures along the military line and problems relating to the realisation of their agreement on preventing dangerous military activities. The Russian and Greek ministers exchanged views on NATO's Partnership for Peace project.

Later in the day, the Russian and Greek defence ministers are due to meet again to discuss European security and the situation in the Black Sea and in the Balkans, where the Russian defence minister is due to fly on Tuesday, July 26.

Also today, Yerasimos Arsenis is due to visit the General Staff Academy.

Grachev To Meet 'Presidents, Defense Ministers' in FRY

LD2507082994 Moscow ITAR-TASS World Service in Russian 0734 GMT 25 Jul 94

[By ITAR-TASS correspondent Vadim Byrkin]

[Excerpt] Moscow, 25 Jul—[Passage omitted] Speaking to journalists after his meeting with Greek Defense Minister Arsenis, Pavel Grachev chose not to discuss the aims of his visit to former Yugoslavia; he just said he intends to meet "presidents and defense ministers" there. Nevertheless, he said he will also meet Ratko Mladic, the Serb Army commander.

ITAR-TASS has learned from well-informed sources in the Russian Defense Ministry that the visit will be brief and that Grachev plans to return to Moscow on Wednesday.

To Depart 26 Jul

LD2507063994 Moscow ITAR-TASS in English 0610 GMT 25 Jul 94

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow July 25 TASS—Russian defence minister, Army General Pavel Grachev, leaves for Yugoslavia on Tuesday, July 26. The Russian minister announced this today during his meeting with Greek National Defence Minister Gerassimos Arsenis.

According to the Russian minister, the decision on his trip was made during his meeting with Russian President Boris Yeltsin on Sunday.

Churkin Hopes Bosnian Serbs Accept Peace Plan

LD2307144194 Moscow Radio Rossii Network in Russian 1100 GMT 23 Jul 94

[Text] Russian Deputy Foreign Minister Vitaliy Churkin hopes the Bosnian Serbs will still reply positively to the ultimatum made by the international community as regards the territorial division of Bosnia. At the recent conference of the contact group in Geneva, the Bosnian Serbs made several conditions before they could approve the plan. The international community regarded their reply as a refusal to accept the plan. The Serbs' reply cannot fully satisfy us too, Churkin said in an INTERFAX interview. He said the ultimatum, which envisaged introducing tough sanctions against the sides in the Bosnian conflict which would not accept the peace plan, had expired. At the same time the diplomat stressed the final decision would be taken by the foreign ministers of the contact group on Bosnia at their next meeting at the end of July. Until then, the Serbs, Churkin said, have time to change their position.

Kozyrev Meeting With Japanese Foreign Minister Cancelled

LD2507063594 Moscow ITAR-TASS in English 0602 GMT 25 Jul 94

[By ITAR-TASS correspondent Vladimir Golovnin]

[Text] Tokyo July 25 TASS—A seven-hour flight delay caused by the fear of a powerful typhoon effectively cancelled a meeting between the Russian and Japanese Foreign Ministers scheduled for today in Bangkok.

According to KYODO TSUSHIN, reporting from the Thai capital, the meeting had to be cancelled because the Japanese Foreign Minister Yohei Kono arrived there seven hours later than planned, because his plane had to make a landing in Taiwan to escape a power typhoon. As a result, the Japanese minister had to cut his original agenda for Bangkok. He preferred meetings with the ministers of foreign affairs of China and Myanmar to that with Andrey Kozyrev.

Kozyrev and Kono are taking part in the international forum on security which has brought to Bangkok foreign ministers from Asian- Pacific countries and representatives of the European Union. They had agreed to meet in Bangkok during their brief conversation earlier in July at the conference of the leaders of the world's industrialised countries in Naples.

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Russian-Japanese contacts this year have repeatedly been disrupted for vexingly unexpected reasons. The scheduled meeting between President Boris Yeltsin and Prime Minister Tomiichi Murayama in Naples in July had to be cancelled because of the sudden ailment of the Japanese premier.

Russia To Establish Dialogue With New DPRK Leaders

LD2307053494 Moscow ITAR-TASS World Service in Russian 0421 GMT 23 Jul 94

[By ITAR-TASS correspondents Stanislav Bychkov and Dmitriy Gorokov]

[Text] Bangkok, 23 Jul—Russia intends to establish a dialogue with the new DPRK leadership to induce it to return to the nuclear non-proliferation treaty. Russian Foreign Minister Andrey Kozyrev said this here today during a consultative meeting with heads of the foreign affairs' departments of the six ASEAN countries. The head of Russia's diplomacy pointed out that ASEAN's stance in respect of the situation in the Korean peninsula, including the nuclear issue, is very close to the one taken by Russia. He said that the strengthening of the nuclear weapons' non- proliferation regime and the halting of nuclear tests are priority tasks for both Russia and ASEAN. This is why the Russian delegation reiterates its positive assessment of ASEAN's idea regarding the creation of a zone of peace, freedom, and neutralitiy in southeast Asia free from nuclear weapons.

Kozyrev on Arms Trade Prospects With ASEAN

LD2307085994 Moscow ITAR-TASS World Service in Russian 0745 GMT 23 Jul 94

[By ITAR-TASS correspondents Stanislav Bychkov and Dmitriy Gorokhov]

[Text] Bangkok, 23 Jul—Russia, as a great power, is rapidly succeeding in ensuring a place for itself in the south-eastern Asian region from which it has been regrettably excluded for a long time, Russian Foreign Minister Andrey Kozyrev stated in an exclusive interview with ITAR-TASS. Kozyrev is in the capital of Thailand on an official visit taking part in the ASEAN foreign ministers' conference.

"We would like to integrate into the fabric of international relations in this region without trying to impress anyone with some grandiose initiatives and acting as a bull in a china shop," the minister stressed. Russia's aim is to become a partner from within, while at the same time, finding necessary levers to strengthen this fabric as well as taking steps to ensure political stability and economic interaction."

Kozyrev said Russia's initiatives were "purely pragmatic." Moscow "is actively fighting for an entry to the arms market" in South East Asia. A specific agreement has been reached with Malaysia. An agreement has been signed to supply Russian MiG-29s to the Malaysian Air Force. This is the first breakthrough. It took two and a half years to achieve this. Now talks are under way with other South East Asian countries.

However, while fighting for the arms market, at the same time Russia is trying to "prevent arms trade from turning into death trade and war mongering" and to set up mechanisms of "strengthening stability," the head of the Foreign Ministry of the Russian Federation said. This concern is behind a whole number of Russian proposals. The Moscow initiatives, Kozyrev said, "are very preliminary, but at the same time they are detailed; they were prepared together with the military." This is an example of a "diplomatic proposal, if you want, clearing the way for a direct export-economic interest," said the head of the Russian diplomatic department in conclusion.

At today's consultative meeting with colleagues from the ASEAN countries the Russian foreign minister submitted for discussion the draft code for arms trade.

Further on Kozyrev Proposal

LD2307063494 Moscow ITAR-TASS World Service in Russian 0417 GMT 23 Jul 94

[By ITAR-TASS correspondents Stanislav Bychkov and Dmitriy Gorokhov]

[Text] Bangkok, 23 Jul—Russia has proposed to the ASEAN countries—Brunei, Indonesia, Malaysia, Singapore, Thailand, and Philipinnes—to discuss first the Asian-Pacific Basin [APB] code of trade in arms, which Russia has prepared. Kozyrev said at a consultative meeting with the "six" foreign ministers held here today that Russia sees the adoption of such a code of rules as one of the joint steps by Russia and ASEAN in establishing a mechanism for maintaining lasting peace and stability in the APB. He also pointed out that the Russian delegation will present its project at the ASEAN regional forum for security planned for next Monday. Eighteen delegations representing the countries of North and South- East Asia, Europe, and North America will participate in the forum.

Kozyrev on Relations With ASEAN

LD2407231294 Moscow ITAR-TASS World Service in Russian 1645 GMT 24 Jul 94

[(By ITAR-TASS correspondents Stanislav Bychkov and Dmitriy Gorokhov)]

[Text] Bangkok, 24 Jul—Russia is now in the process of agreeing with ASEAN countries on partnership mechanisms. During the October visit to Moscow by ASEAN Secretary General Ajit Singh, a whole program for Russia's links with Southeast Asian states and forms of political and economic cooperation will be discussed, Andrey Kozyrev told Russian journalists accompanying him on his Thailand tour today.

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Russian diplomacy, its chief believes, should pay greater attention to the development of relations with Asian countries. On that continent, Russia "is to master a new field, to establish contacts in a new way in order to become a true partner for the region's countries both in politics and business."

Something more than a simple repetition of the methods currently being used to develop relations with the West is required in order to enter markets and gain a foothold there. According to A. Kozyrev, not only Russia, but also the United States is encountering this problem—in particular, in its economic relations with Japan. It is true that the United States, unlike Russia, has not wasted 45 years.

Business will not move forward without close political relations with an element of trust. "I think that we are therefore making quite an important start by creating a climate that will have much greater opportunities for real economic relations and integration processes."

In A. Kozyrev's view, the talks that he held while on his official visit to Thailand showed that the sides have mutual political and economic interests. He described Russian-Thailand dialogue "as cogent and useful."

Seeks Improved Economic Relations

LD2307105694 Moscow ITAR-TASS World Service in Russian 0950 GMT 23 Jul 94

[By ITAR-TASS correspondents Stanislav Bychkov and Dmitriy Gorokhov]

[Excerpts] Bangkok, 23 July—Russia intends to use its unique potential as a Eurasian power not through being excessively armed by through interaction and cooperation, Russian Foreign Minister Andrey Kozyrev stated today at the ASEAN consultative meeting of the foreign ministers of Brunei, Indonesia, Malaysia, Singapore, Thailand and Philippines. Russia is a consultative member of this regional group.

Speaking about the main objectives of the Russia's Asian-Pacific policy, Andrey Kozyrev stressed that Russia considers itself ASEAN's natural partner. The real fruits of cooperation between ASEAN and Russia in the past two years prepared the ground for transition to a full-scale partnership. Further to the dialogue on the problem of halting the arms race, Russia is presenting its project on the arms trading code for consideration by the ASEAN. This code of trade, the first of its kind in the Asian-Pacific region, will also be presented to the ASEAN security forum which opens next Monday. The project is open for any constructive amendments and inclusions. [passage omitted]

As participants in the Paris process of the peace settlement in Cambodia, both Russia and ASEAN regard as unacceptable the attempts to undermine the settlement plan worked out in Paris. Moscow is ready to continue cooperation with the Association for the Settlement in Cambodia in the future, and among other things to discuss suitable forms of collective international support of the legitimate government of Cambodia in accordance with its request.

The state of affairs in the sphere of commercial and economic cooperation far from corresponds to the sides' real possibilities, the minister thinks. Although last year the Russian Federation's trade turnover with ASEAN crossed the two billion dollar threshold, which is much higher than the Association's trade indice with the former USSR, Moscow "senses a certain timidity by entrepreneurs on both sides, insufficient knowledge of each other's possibilities and requirements." The Russian list of investment projects—possible areas for ASEAN's cooperation with Siberia and the Far East—was handed to ASEAN last year but remains unanswered.

The minister said that this autumn Russia is awaiting the Moscow meetings with the ASEAN secretary general and the heads of the ASEAN national secretariats to discuss concrete cooperation projects taking Russia's proposals into account.

Attempts To Thwart Paris Plan for Cambodia 'Unacceptable'

LD2307103394 Moscow ITAR-TASS World Service in Russian 0419 GMT 23 Jul 94

[By ITAR-TASS correspondents Stanislav Bychkov and Dmitriy Gorokhov]

[Text] Bangkok, 23 Jul—Russia believes attempts to undermine the Paris plan for a settlement in Cambodia are unacceptable and will support any decisions that will suit the Cambodians themselves. This was stated here today by Russian Federation Foreign Minister Andrey Kozyrev during a consultative meeting with colleagues from six member countries of the Association of South-East Asian states. It took place within the framework of the conference of ASEAN ministers to which the Cambodian delegation was invited as a guest. The head of Russian diplomacy stressed that his government is prepared to continue cooperating with the ASEAN countries in achieving the aims of the Paris conference on Cambodia and, in particular, to discuss the appropriate forms of collective international support for the lawful Cambodian government in accordance with the latter's request.

Kozyrev Seeks To Strengthen Dialogue With Thailand

LD2207155694 Moscow ITAR-TASS in English 1440 GMT 22 Jul 94

[By ITAR-TASS correspondents Stanislav Bychkov and Dmitry Gorokhov]

[Text] Bangkok July 22 TASS—Russian Foreign Minister Andrey Kozyrev and his Thai counterpart Prasong

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Sunsiri met in Bangkok on Friday to discuss the strengthening of bilateral cooperation in the interests of security and stability in the Asian-Pacific region.

The Russian foreign minister is in Thailand on an official visit and he will also attend the conference of ASEAN foreign ministers and the ASEAN regional forum on security in the Asian-Pacific region.

According to diplomatic sources, the two sides also discussed bilateral relations in the sphere of economy and culture. Last year the trade turnover is about one billion U.S. dollars which is equal to the Russian trade turnover with all other ASEAN countries.

Kozyrev Interviewed on Foreign Policy

LD2407200794 Moscow NTV in Russian 1700 GMT 24 Jul 94

[Interview with Foreign Minister Andrey Kozyrev by program announcer Yevgeniy Kiselev; date and place not given; recorded—from the "Itogi" program]

[Text] [Kiselev] How will Russia respond to changes in post- Soviet states, and also in Iraq, North Korea, and other countries? This is the subject of our interview with Foreign Minister Andrey Kozyrev.

Andrey Vladimirovich, this week there was a two-day conference of the Councils of Defense Ministers and Foreign Ministers of the CIS. In the course of this conference you probably had meetings with Belarusian and Ukrainian diplomats. Did it seem to you that there had been some changes in Ukrainian and Belarusian diplomacy now that new presidents have come to power in Minsk and Kiev following elections?

[Kozyrev] Yes, I daresay there have been some changes. Whereas before one would have in all probability expected Ukraine's response to a blueprint, a plan of integrational development of the CIS to be reserved at best, or probably even negative, something like "oh no, please count us out of this," now we did not get that kind of response. True, we have not yet got a straight yes either. That, though, is quite understandable. The new president has been elected, but in effect he has not yet started performing his duties, all there was so far was his inauguration. But I do hope that the next stage will be a shift toward a yes. At least that's how we tend to interpret the advent of the new presidents and the mandate they have been given. All in all, it is a mandate for rapprochement, both with Russia and with the CIS. At least that's the way it seems to me.

[Kiselev] But many people had the impression that Lukashenka's victory in the Belarusian presidential election was met with apprehension in Moscow, and in official Moscow in particular. Can one suppose that Russian diplomacy will play a waiting game with regard to Belorussia [Belarus] for the time being?

[Kozyrev] No, I don't think so. Actually, I don't know why you got that impression that official Moscow's attitude was apprehensive. I believe that from the outset we had a very clearly defined attitude on the part of our president - that the people have made their choice, with which we have no intention of interfering - and interfere we did not. As for our assessment, there is a clear satisfaction here with the fact that the elections went along the lines of a trend towards strengthening cooperation, both with Russia and with the CIS. This I believe to be fundamentally important. There will be no pause on our part, there is no point in playing the waiting game. We are prepared to have a major treaty with Ukraine, we are prepared to have all the issues resolved on a very well- balanced mutually beneficial basis. We are prepared to move toward economic integration with Belorussia, as has been planned.

Lukashenka is coming to Moscow shortly, there is an agreement to that effect. In general, we do have very close contacts with the new presidents. These are very much tactful contacts, because one should not put people in an awkward position.

[Kiselev] I want to put a question to you about the withdrawal of Russian troops from Estonia. This problem has two aspects: Russia's troop pullout and how this issue affects Russian-Estonian relations. The other aspect is the participation of a third party. I mean the Americans. For the first time we are encountering the case of direct and crude economic blackmail. My question is this: do you think, Andrey Vladimirovich, this is a symptom of some unfavorable changes in relations between Russia and the West, or this is just an episode - a one-off incident, albeit an unpleasant one.

[Kozyrev] My answer may come as a surprise. It seems to me that this is connected not so much with Russian-U.S. relations per se as with internal processes in the United States. The Clinton Administration is considered to be at its best when it deals with Russia. Its relations with Russia are perhaps the only subject on which the Clinton Administration is not being subjected to massive criticism inside the country. So, it is quite possible that what is at issue here is the attempt by, let us say, the opposition party - they have the same problems in parliament as we have - to complicate or torpedo development of events in this area.

There is one factor: I, as a foreign minister, am dealing with the executive power there. This decision by the Senate must be, first, ratified by both houses of the U.S. Congress, if they decide to take this unacceptable path. Then the whole thing can be vetoed by the president. Therefore what we are banking on is that the distance between this decision and its implementation is quite large and I think that if, God forbid, the whole congress or even the administration prefers to take the route mapped out by that Senate's decision, that would complicate and, I fear, could make the problem of troop pullout even more difficult.

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The problem can be resolved if a minimum of the human demands of military pensioners is fulfilled. Unless this condition is fulfilled we will not withdraw the troops. As soon as Estonians take a decision which moves even slightly towards meeting this elementary condition, the troops will be withdrawn just as they are being withdrawn from other states. After all the pullout is in our own interests.

[Kiselev] Here is my other question. I have to put it to you this week. I am talking about the funeral of Kim Il-song. The death of the Korean leader posed a typical dilemma to Russian diplomacy. There is a country the regime of which is ideologically unacceptable to Russian democracy. Yet Russia's geo-political interests rule that relations with the neighboring country, the country which lies next to us should be developed and furthered. How do you think this dilemma can be reasonably resolved?

[Kozyrev] We have resolved this dilemma long ago, in fact right from the beginning. We do not intend to build our relations either on a basis of sympathy or antipathy for any particular regime. We try to build our relations on an interstate basis, taking into account the way they have been developing. Our relations with North Korea are normal and smooth. I hope that under the new leadership they will continue developing in the same direction. Our relations with South Korea are also very good, regardless of its ideology. But there is still one problem: we cannot support any state, be it North Korea or South Korea, if it intends to develop nuclear weapons. That is the only complicating factor in our relations with the DPRK, the factor which also complicates everybody else's relations with that country.

If they resolve this problem - and we hope that this will happen as there are all preconditions for it - then there will be no obstacles in the way of developing our balanced, smooth and quite normal relations with that country.

[Kiselev] Drawing an analogy with Korea, what changes can take place in the near future in Russia's relations with Iraq? The reason I am asking you this is because you had that mysterious meeting with Tariq 'Aziz in St. Petersburg, which gave rise to quite a few questions and rumors.

[Kiselev] Well, that's what people say - that this meeting did take place. But that's beside the point. The point is that our approach to Iraq is as simple and clear-cut as to any other state. It is a country like any other. The Security Council has made a number of demands of that country. If they are met, then a certain package of punishment measures, i.e. sanctions, has to be lifted. That is what we are currently advocating at the Security Council. If the demands are met, sanctions should be lifted, if not, sanctions should remain in place. That is our stand.

[Kiselev] Suppose all the demands on Baghdad brought by the international community are met, and consequently it will come to a point when all sanctions imposed by the international community on Iraq are lifted. Can you imagine that in this scenario Russia will once again start supplying arms to Baghdad, proceeding from its economic interests?.

[Kozyrev] Well, don't let us look too far ahead. But if, as you say, all sanctions are lifted, then there will be no obstacles to economic, or maybe even military-technical, cooperation. Although the issues of military-technical cooperation are dealt with by us, by the president and the government, on an individual basis. Even if there are no sanctions whatsoever, still all the pros and cons have to be taken into consideration. And that includes not only commercial interests, but also the interests of security. After all, what if we start supplying arms that would then somehow damage our own security? So while trying to make a quick financial gain one has to beware of pointing a knife at oneself - at least in the long term, in some hypothetical scenario. So one has to be wary. After all, it is a special kind of goods. Therefore I cannot at this stage give you a clear-cut answer as to whether we shall or shan't do that. But the issue will be studied in an absolutely unprejudiced manner, and in the end - why not?

Kozyrev Advisor Comments on ASEAN Meeting

LD2307192894 Moscow ITAR-TASS in English 1847 GMT 23 Jul 94

[By ITAR-TASS correspondents Stanislav Bychkov and Dmitriy Gorokhov]

[Text] Bangkok July 23 TASS— Russia and ASEAN will continue exploring their potential for cooperation and will search for ways to make it more dynamic, Russian Foreign Minister Andrey Kozyrev and his Philippine counterpart Roberto Romulo said on Saturday.

Romulo, who headed the Philippine delegation to the just- concluded ASEAN conference in Bangkok, welcomed, on behalf of the ASEAN members, Russia's participation in the conference and in the upcoming regional forum on security in the Asia-Pacific region opening here on Monday.

In an interview with ITAR-TASS on Saturday, Galina Sidorova, Kozyrev's political adviser, said that Moscow's proposals prompted a "very positive" reaction from the ASEAN countries. Moreover, the ASEAN ministers recalled Russia's initiatives which were put forth two years ago.

In the initiatives which have so far remained unanswered Russia suggested setting up a conflict prevention, stability and security centre in the region.

The sides agreed to expand their ties and establish working contacts between the Russian Foreign Ministry and the ASEAN ambassadors in Moscow.

Sidorova said the conference participants took great interest in the draft code of arms sales proposed by

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Russia. The first official reaction to the document may be expected next week when the ASEAN countries will discuss security in the Asia-Pacific region.

"We call for the development of confidence-building measures in this sphere and welcome the discussion on this issue to be held within the forum framework," she said.

Yeltsin Decree Appoints Ambassador to U.S.

LD2307161494 Moscow INTERFAX in English 1452 GMT 23 Jul 94

[Text] President Boris Yeltsin has appointed a new ambassador to U.S. - Yuliy Vorontsov, the presidential press-service reports.

According to a decree signed by Yeltsin Saturday, Vorontsov is relieved of his duties as Russia's permanent representative at the United Nations.

By yet another presidential decree, Tofik Agayev is appointed Russia's ambassador to Colombia.

Deputy Foreign Minister Lavrov Appointed UN Ambassador

LD2307203594 Belgrade TANJUG in English 1702 GMT 23 Jul 94

[Text] Moscow, July 23 (TANJUG)—Deputy Russian Foreign Minister Sergey Lavrov will take over as Russia's permanent representative to the United Nations from Yuliy Vorontsov.

Vorontsov has been appointed Russian ambassador in Washington.

Lavrov, 44, is viewed as one of the most promising Russian diplomats, while Vorontsov, 65, belongs to the 'outgoing generation.'

Reportage on Portuguese Prime Minister's Visit

Meets With Yeltsin

LD2207122294 Moscow ITAR-TASS in English 1138 GMT 22 Jul 94

[Text] Moscow July 22 TASS—The Russian president's press service circulated the following report here on Friday:

Boris Yeltsin received Portuguese Prime Minister Anibal Cavaco Silva today.

The sides discussed the development of Russian-Portuguese relations in various spheres at the meeting. They noted that Russia and Portugal have good prospects for substantial expansion of trade and economic cooperation and contacts in other spheres.

The two leaders examined issues of European and international politics, including the problem of a Bosnian settlement. Yeltsin stressed that Russia actively promotes the implementation of the plan for settling the Bosnian conflict, agreed with other interested states, and makes a considerable contribution to peaceful efforts.

Silva conveyed Yeltsin an invitation from the Portuguese leadership to visit Portugal on an official visit. The invitation was accepted with gratitude. A date of the visit will be agreed through diplomatic channels.

Following the meeting, the Russian president and the Portuguese prime minister signed the interstate treaty of friendship and cooperation at the St. Vladimir Hall of the Grand Kremlin Palace.

Urges Russia To Play International Role

LD2207202494 Moscow INTERFAX in English 1627 GMT 22 Jul 94

[From the "Diplomatic Panorama" feature: Reports by Diplomatic Correspondents Igor Porshnev, Yevgeny Terekhov and others]

[Text] Portugal is in favor of Russia's more active involvement in the settlement of the conflict in the former Yugoslavia as well as cooperation with the United States and European Union on this issue, Portuguese Prime Minister Anibal Cavaco Silva, who is on an official visit in Moscow, declared at a press conference Friday. He expressed his hope that Russia exerts all its influence on the Bosnian Serbs so that they adopt the international plan for a peaceful settlement in Bosnia.

This is the first visit of the head of the Portuguese government to Russia. "Portugal,—he said,—was always in favor of strengthening political and economic relations with Russia."

Having noted that the agreement between Russia and European Union opens the door for free trade with the European countries for Russia, Silva underlined that Lisbon gives its backing to Russian's joining other international organizations, in particular, the Council of Europe.

Silva reported that he had invited his Russian counterpart Viktor Chernomyrdin to come on an official visit to Portugal. In his words, Russian President Boris Yeltsin also intends to visit this country.

As Silva said, in the course of this visit the parties raised the issue on Russia's debt to Portugal totaling $100 million. He expressed his wish saying that this issue should be resolved as soon as possible.

Signs Friendship, Cooperation Treaty

LD2207141594 Moscow INTERFAX in English 1249 GMT 22 Jul 94

[Text] Russian President Boris Yeltsin and Portuguese Prime- Minister Anibal Cavaco Silva signed a treaty of friendship and cooperation in Moscow Friday.

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Russian Prime Minister Viktor Chernomyrdin who attended the signing ceremony said the treaty was the first of its kind and most important in bilateral relations.

Agreements on cooperation in the fields of scientific research and technology, health care and culture, protection of investment and transportation were also signed.

Chernomyrdin told journalists that the formation of working groups to be in charge of detailing joint plans was under discussion. Portuguese officials are expected to visit Russia soon for meetings with Russian business people.

Chernomyrdin said that Moscow had suggested direct cooperation between Portugal and the Russian provinces, especially those which, like Kuzbass and Rostov, were already working on joint projects. Chernomyrdin said region-to-region cooperation was an achievement of the utmost importance and said priority actions in that field had already been mapped out.

He had accepted an invitation to visit Portugal and would try to visit that country some time soon.

Chernomyrdin on Cooperation Prospects

LD2207123594 Moscow Radio Rossii Network in Russian 1100 GMT 22 Jul 94

[Text] As we have already reported, Russian President Boris Yeltsin and Portuguese Prime Minister Anibal Cavaco Silva today signed a friendship and cooperation treaty between the two countries. Our correspondent Marina Chernukha has the details:

[Chernukha] Russian Prime Minister Viktor Chernomyrdin noted that this is the first document of its kind. It envisages cooperation in the most wide-ranging areas. Thus, an agreement on cooperation in the sphere of science, technology, culture, and public health, and also on the protection of investments, was signed recently.

Viktor Chernomyrdin said that, further to the treaty, a bilateral working group will be organized as early as today. The prime minister let it be understood that the main attention will be devoted to direct bilateral ties at the level of the regions. Thus, for instance, Rostov Oblast already has business contacts with Portuguese businessmen, and other regions also may attain the level of direct cooperation, Viktor Chernomyrdin noted.

Marina Chernukha for Radio Rossii's news service.

Space Research Cooperation Discussed With Portugal

LD2207141794 Moscow INTERFAX in English 1249 GMT 22 Jul 94

[Text] The possibility of launching a Portuguese communication satellite by a Russian booster was discussed at bilateral intergovernmental talks in Moscow.

The Russian space agency chief Yuriy Koptev told Interfax that there are two options for the Portuguese side to choose from: launch a satellite by a separate Russian booster or, given the satellite's small size, boost it as part of a larger Russian craft.

Koptev reported that Russian and Portuguese experts had been working together in the peaceful exploration of space for a year now. He said that four areas for partnership had taken shape: the exchange of information on Russia's space studies and technology transfer, specialist training, the application of Russian space technology in Portugal, and the organization of joint seminars and exhibitions.

Koptev announced that a group of Portuguese experts would arrive in Russia in September-October for talks on the use of Russian space technology.

Soskovets, U.S. Envoy Sign Information Agreement

LD2207141294 Moscow Radio Rossii Network in Russian 1300 GMT 22 Jul 94

[Text] Oleg Soskovets, Russian first deputy chairman of the Council of Ministers, and Reed Hundt, Chairman of the U.S. Federal Communications Commission, today signed a memorandum in Moscow. It provides for the amalgamation in the course of five to eight years of markets of information resources of the two countries, which would provide an opportunity for users in Russia and the United States to readily gain access to necessary computer data bases. Reed Hundt said the United States is ready to supply Russia with up- to-date communications. This has become possible following the liquidation of COCOM, the international committee which controlled the export of top technology from Western countries to the former Soviet republics and states of eastern Europe.

Further on Signing

LD2207201694 Moscow INTERFAX in English 1746 GMT 22 Jul 94

[Text] Russia and the U.S. signed a memorandum of mutual understanding on establishment of a global information infrastructure today. The initiative was put forward by U.S. Vice President Albert Gore at the conference of the International Union of Electric Communications in Buenos Aires last year. The initiative is aimed at creating conditions for an exchange of information on a world-wide scale.

The memorandum was signed by Russian Minister for Communications Vladimir Bulgak, chairman of the Committee on Information Policy under the Russian president Arkadiy Golubkov and chairman of the U.S. Federal Commission on Communications Reed Hundt. In particular, the memorandum provides for exchange of information on the development of a "information highway" in Russia and in the U.S. and for consultations in

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order to make the project more precise and to persuade Russian and U.S. private companies to participate in the project.

Bulgak said in an interview with INTERFAX that the present memorandum continued the work started in Washington in February 1994 with the signing of a memorandum on mutual understanding in the sphere of electric communications which defined the principles and the guidelines of cooperation. The main principle provides for a non-discriminatory approach to the new TV communications technology and services, Bulgak said.

The global network for exchange of information will be based on international optic-fiber lines of communication.

Clash With U.S. on Iraq Sanctions Viewed

MM2207115594 Moscow IZVESTIYA in Russian 21 Jul 94 p 3

[Report by Vladimir Nadein: "Saddam Has Held On and Now Intends To Set Russia Against the United States"]

[Text] Washington—This is the first time in the recent past that Russia and the United States have clashed so sharply. Formally speaking, there is a difference of opinion at the UN Security Council. Russia, France, China, and Brazil defend one viewpoint. The United States, Britain and a number of other countries support a different one.

The bone of contention is Iraq. Three and a half years ago the Security Council voted for very tough economic sanctions against that country. All of Iraq's overseas assets were frozen and it was banned from selling what is essentially its only export commodity—oil.

The conditions for lifting the sanctions were not stipulated precisely enough. The implication of the Security Council's decision seemed to be that Saddam Husayn, Iraq's ruler, would undoubtedly be removed and his democratic successor would have no problems with a responsive international community.

However, Husayn remains intact, he has survived the defeat, and has preserved his place as undisputed leader of the country. There is no alternative leader in prospect in Iraq in the foreseeable future. For one group of countries, including the United States, this is reason enough to maintain the sanctions. For others, including Russia, the consolidation of the Iraqi regime is viewed as that country's internal affair, the only problem being whether or not Iraq is abiding by the UN demands.

The question of the possibility of lifting the sanctions is examined by the Security Council every two months. Iraq made serious preparations for the session held on Tuesday 19 July. Iraqi Government leaders visited a number of European countries and had meetings with high-ranking officials of the Czech Republic and Russia, which are represented on the Security Council.

In the Czech Republic, President Vaclav Havel publicly condemned his government's contacts with Iraq. U.S. commentators claim that in Russia President Yeltsin actually instructed Foreign Minister Andrey Kozyrev to meet with Deputy Prime Minister Tariq 'Aziz.

Tariq 'Aziz was Iraqi foreign minister during the Gulf War. There is hardly anyone who knows the background to the events better then he. However, it is believed that it was not the Iraqi diplomat's knowledge which contributed to the breakthrough in the thinking of Andrey Kozyrev and the Russian diplomatic service but President Yeltsin's instructions.

Or, in a broader sense, Russia's interests.

On the eve of the latest examination of the sanctions question there were many commentaries in the U.S. press. THE WASHINGTON POST acknowledges that "President Husayn... no longer represents a regional or strategic threat to his neighbors." It is said that "the UN arms inspectors are extremely close to completing their mission of seeking and destroying Iraq's special weapons and setting up a system of import monitoring, which will prevent Iraq from replacing its missiles or banned weapons."

All of this is extremely close to a recognition that the UN sanctions have done their job. However, the United States and its Gulf War allies are categorically opposed even to a limited easing of the sanctions. The main reason, according to THE WASHINGTON POST, is this: "President Husayn is maintaining his tough regime.... The embargo will help to prevent the rebirth of Iraqi belligerence."

All of this is rather vague and prompts serious doubts about sincerity. Quite recently the White House extended the PRC's most-favored-nation status even though few people in America believe that human rights are respected in China.

But it suited Washington to preserve active trade contacts with the rapidly developing economy of undemocratic China and human rights had to quietly take a back seat.

For Russia, the Czech Republic, and another group of countries the lifting of sanctions from Iraq and that country's return to a normal trading status are linked to clear economic prospects. First, Iraq is still a major debtor of the Soviet Union and consequently of its successor in law, Russia. Second, Iraq, bolstered by oil sales, could become a consumer of many Russian goods—so as to rebuild its industry, urban economy, and indeed armed forces, which lost the bulk of their weapons during the war.

But in Washington there are increasingly clear signs that business circles interested in the resumption of Iraqi oil

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exports are gaining momentum. The Iraqi Government has been unstinting when it came to cash for lobbying Congress and public opinion.

To all appearances, in two months' time Russia, France, and the other countries which favor the lifting or the initial easing of the sanctions will be opposed by a less united front than was the case on Tuesday. It is becoming increasingly obvious that removing Saddam Husayn by means of sanctions will no longer work and that the noble pleas against dictatorship will increasingly be drowned out by the lost profit figures.

Agreement Signed With Israeli Agricultural Minister

LD2207141894 Moscow Radio Rossii Network in Russian 1300 GMT 22 Jul 94

[Text] A meeting took place in Moscow today between Deputy Prime Minister Aleksandr Zaveryukha and Ya'aqov Tzur, the Israeli minister of agriculture. An agreement on cooperation was signed. It provides for creating model farms in Russia using Israeli technology, plant selection, breeding, and also the training of Russian specialists in Israel.

Chernomyrdin, Tereshchenko Discuss Agreements

LD2207122194 Moscow ITAR-TASS World Service in Russian 1121 GMT 22 Jul 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow, 22 Jul—The heads of government of Russia and Kazakhstan, Viktor Chernomyrdin and Sergey Tereshchenko, today held a working meeting during which they discussed specific questions of the implementation of inter-governmental agreements signed earlier.

At the end of the talks that were held behind closed doors, journalists were told by a spokesman of the Russian Government's press service that during the meeting Viktor Chernomyrdin spoke in favor of the establishment of market prices in Russian-Kazakhstan trade. In this connection, the regions will be given a large amount of independence in establishing trade contacts; specific enterprises will also be given the opportunity to establish direct links with each other.

However, taking into account the fact that the now independent republics of the former USSR can successfully become integrated in the world economy only if they maintain their old economic links, both prime ministers today came out in favor of continuing regular working contacts, since these provide the opportunity to resolve specific issues of implementing the economic aspect of inter- governmental agreements.

Let us recall that trade exchange between the two countries is based mainly on fuel and lubricants from Russia and grain from Kazakhstan. At the present time, Kazakhstan owes Russia $139 million in clearing account trade. It has been agreed that the payment of $115 million, which Russia is to make to Kazakhstan as rent for Baykonur cosmodrome, will be taken into account in paying off this debt.

Cuban Official Feels Relations Improving

LD2207120394 Moscow ITAR-TASS in English 1140 GMT 22 Jul 94

[By ITAR-TASS correspondent Konstantin Zhukovskiy]

[Text] Havana July 22 TASS—Russo-Cuban relations have been developing in a positive way of late, believes Jose Garcia, chief of the Russia department of the Cuban Forign Ministry. Mutual understanding and striving for cooperation of the two countries are manifested again, he said in an interview with ITAR-TASS. Relations between the two countries were worse than ever in 1991-1992, when trade turnover dropped to less than one tenths. There was no mutual understanding at that time. Articles hostile to Cuba began to appear.

Clearly, understanding was lacking in Russia that Cuba remained true to socialist principles and still has the right of choice of its own development. "Cuba showed understanding for Russian home and foreign policy, never refused from a dialogue and quest for compromise solution", Garcia said.

After trying times, relations between the two countries began gradually to normalise in 1993. Visits at a high state level were exchanged. The discussion of questions of economic cooperation at the level of experts was started.

The joint association Roscuba was formed in 1993. It virtually assumed the role of a Russo-Cuban chamber of commerce. "We have many common interests in various areas—economic, political, military and others. The purpose now is to bring relations to a higher level—to work out a common strategy of mutual relations to be used as a basis for more vigorous cooperation, Garcia said.

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Political Issues

Press Secretary Describes Yeltsin's 21 Jul Workday

MM2207185394 Moscow ROSSIYSKIYE VESTI in Russian 23 Jul 94 p 1

[Interview with Vyacheslav Kostikov, Russian Federation president's press secretary, by unidentified INTERFAX correspondent; date, place not given: "President's Workday"]

[Text] [INTERFAX] According to our information, the president's workday on Thursday [21 July]—the day after he had been ill with a cold, began at 0830 hours and ended at around 2100 hours. Is this not an excessively heavy start?

[Kostikov] Maybe the workday really was excessively busy. However, this was dictated by the depth and gravity of the problems which are demanding solutions. The fact that the political season is drawing to a close also had an effect here. In a few days' time, the State Duma will begin its recess. Boris Nikolayevich had a thorough discussion with his aide G. Satarov about this. The prospects of cooperation with the State Duma in the fall and ways of raising the effectiveness of the work of this important organ of power were discussed.

[INTERFAX] There were doubtless meetings which had been postponed because of the president's indisposition?

[Kostikov] Yes, the meeting with O. Poptsov, leader of Russian television, had to be "crammed" into the schedule. There was a conversation about the contradictory and acute problems in the life of our mass media and the level at which television and radio have been interpreting the depth of the changes occurring in our country. The president expressed concern about the level of violence on our television screens. He expressed his worry that the endless supercharging of tension from the conflict zones is giving the population the distorted impression that we are living in a state at war. But fortunately peace reigns in Russia. Evidently, "scenes of peaceful life" are needed too. It is scarcely reasonable, the president emphasized, that the population should be oversaturated with information about the life of our conflicting neighbors at the expense of information about life in the Russian heartland.

[INTERFAX] Were there any economic problems on the president's "menu" today?

[Kostikov] He had a long telephone conversation with V. Chernomyrdin, as a result of which the government sitting began almost an hour late. In particular, they discussed the quest for an optimum correlation between inflation and a permissible level in the fall in production. Supporting the prime minister's anti-inflation tactics, B. Yeltsin at the same time expressed his opinion that the fight against inflation should not be "abstracted" from the specific task of maintaining production, on which the lives of millions of Russians and social stability depend.

[INTERFAX] Were any specific decisions adopted?

[Kostikov] In order to express myself more clearly, I will recall that Boris Nikolayevich had a long meeting with V. Saykin today. The ZIL [Likhachev Automobile Plant] director spoke of the enormous difficulties being experienced by the collective, and he asked for support. After all, the future of many thousands of workers and their families lies with the future of this plant. The president spoke about this with V. Chernomyrdin too. In a word, the plant must be saved and led out of the crisis. Corresponding instructions have been given to First Vice Premier O. Soskovets. Naturally, the meeting with Yu. Shafranik, Russian Federation minister of fuel and energy, was also filled with economic matters.

[INTERFAX] Were there any political collisions, any bottlenecks during the course of the day, which the president had to "undo" with the help of his authority and power?

[Kostikov] I will not hide the fact that there were some.... Echoes of the disagreement between Defense Minister P. Grachev and A. Nikolayev, commander-in-chief of the Russian Federation Border Guard Troops, have already resounded in the press. Naturally, this is not a question of some kind of conflict, or a clash of "ambitions." It is a question of two different conceptual approaches to the Border Guard Troops—should they be autonomous, or should they be integrated in the Army. The president was inclined to favor independent status for the Border Guard Troops. From what B. Yeltsin said, the tradition of military organizational development in Russia also played a role in determining his stance: Both before the revolution, and during "Soviet power," the Border Guard Troops were autonomous.

[INTERFAX] Was there a special feature in the president's working day?

[Kostikov] The intensive combination of personal meetings with work over the telephone. All in all, Boris Nikolayevich spent several hours on the telephone. This is very exhausting work. It is more difficult than talking face to face with your interlocutor.

[INTERFAX] Who did Boris Nikolayevich speak to on the telephone?

[Kostikov] As you have probably guessed, the president's work includes confidential conversations which neither his aides nor the press service know about.

Zhirinovskiy Threatens Withdrawal From Accord

LD2207132494 Moscow ITAR-TASS World Service in Russian 1245 GMT 22 Jul 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

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[Text] Moscow, 22 Jul—Vladimir Zhirinovskiy has accused Russian authorities of unleashing a campaign of persecution against his Liberal Democratic Party (LDPR). At a news conference held today by the LDPR faction in the State Duma, their leader claimed that "the best forces of the Federal Counterintelligence Service have been thrown in to fight the party that won the election." Vladimir Zhirinovskiy said that "unless the campaign of lies and slander against the LDPR stops, in early October the party's top leadership will raise before its faction in the State Duma the question of a possible withdrawal from the Treaty on Public Accord."

While indignant at state officials, who allegedly impede LDPR deputies both in Moscow and in the provinces in carrying out their duties, Vladimir Zhirinovskiy at the same time expressed his loyalty to President Yeltsin. He said the president wanted to have a meeting with the LDPR leadership, but was prevented from doing so by his closest entourage. "The future LDPR victory in elections will be assured by the present-day officialdom," Vladimir Zhirinovskiy noted.

He stressed that the Liberal Democratic Party was in favor of constructive dialogue with all the country's political forces.

The LDPR chairman spoke against extending the mandates of the president and the Federal Assembly. "We are in favor of simultaneous presidential and parliamentary elections," he said.

Yeltsin Decree on N. Ossetian Refugees Not Met

LD2207142594 Moscow INTERFAX in English 1249 GMT 22 Jul 94

[Text] President Yeltsin's decree on the return of refugees to four villages in the Prigorodnyy district of North Ossetia by July 31 has not yet been fulfilled, the chief of the provisional administration in the area of the Ossetian-Ingush conflict Vladimir Lozovoy said today. President Yeltsin signed the decree on May 30.

At a meeting with members of the Ingush parliament in Nazran Lozovoy said that the Russian government had failed to furnish financial support for the decree. He said that 10 billion rubles "arrived only yesterday."

Lozovoy said that part of the blame for the failure to fulfil the presidential decree rests with the Russian Defense and Interior Ministries, which had failed to either establish security zones in the four villages where refugees were supposed to return in the first stage of the operation or disarm illegal armed groups. Lozovoy said the continuing confrontation of the Ingush and Ossetian sides was another reason why the presidential decree had remained ineffective.

"The failure to implement the presidential decree undermines the authority of Yeltsin and of Russia," Lozovoy said.

"I am morally responsible for the failure to implement the decree, but I say that as provisional administration chief I have done everything in my powers to ensure that the refugees should not have to spend a third winter in camps in Ingushetia. This must not happen. The leaders of Russia and the leaders of North Ossetia must realize that," Lozovoy said.

Yeltsin Decides To Set Up Ilyushin Holding Company

LD2207115894 Moscow Mayak Radio Network in Russian 1100 GMT 22 Jul 94

[Text] Boris Yeltsin has decided to set up the Ilyushin joint- stock holding air-construction company. It is envisaged to pass over as the new company's starting capital 20 percent of the shares of the Ilyushin aviation complex and 11 percent of the shares of the Voronezh joint-stock aircraft-construction company. It has also been decided to secure 51 percent of the shares of the Ilyushin company by federal ownership for a period of three years.

Paper Welcomes Demise of Media Supervision Body

MM2507083794 Moscow ROSSIYSKIYE VESTI in Russian 20 Jul 94 First Edition p 1

[Article by Nikita Vaynonen under the "As It Happens" rubric: "Censorship Dies a Natural Death"]

[Text] You should never speak ill of the dead. But that applies to dead people. The demise of a state institution commits you not to piety but to analysis. The State Inspectorate for the Protection of the Freedom of Press and Mass Information was created at the same time as the former Ministry of the Press and enjoyed the status of ministerial patronage (being a Ministry State Inspectorate), formally providing a certain degree of autonomy. In fact, however, it was a ministerial subdivision. Once the Ministry of the Press was no more, the inspectorate was left hanging in mid-air for a time. Now a Russian Federation government decree has eliminated it.

At first sight the reason is a purely organizational one: There is no ministry, so there is no inspectorate within it. The government decree divides up the functions of monitoring the observance of legislation on the mass media, "as appropriate," between the Russian Federal Service for Television and Radio Broadcasting, the Russian Federation president's Judicial Chamber for Information Disputes, and the Russian Federation Committee for the Press. But there is another, less obvious side to this latest action.

To begin with, let us pay attention to the vocabulary: Inspectorate for the Protection of Freedom. Is it not the case that the words "inspectorate" and "freedom" do not go very well together? It is no accident that the "functions" of this institution are named in the government document not as the "protection of freedom" but

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as "monitoring functions...." Created on a wave of democratic euphoria, in practice the inspectorate proved unable to protect freedom of speech at all. It was unable to win a single lawsuit against newspapers or journalists who abused this freedom, and attempts by the authorities to return to an agitation and propaganda regime in relations with the press proved to be completely beyond its powers. Paradoxically enough, at the same time as the "inspectorate for the protection of..." was being created a wave of pornography and fascist publications started to unfold and persecution of journalists became more frequent, as though someone needed to create some kind of cover or semblance of "strengthening democratization" and fighting against evil. While it won no laurels in the field of protecting freedom, the inspectorate was at the same time carefully monitoring the observance of the articles of the law which, with skillful interpretation, could help leaders who were unhappy with the press to gain control of it. That is how the inspectorate behaved with our newspaper,. in particular, when it tried to win its independence at the end of last year and the start of this. It would be useful to recall this today, not in order to settle scores but in order to understand the logic of what is going on.

Will the institutions which the government has entrusted with the functions of the former inspectorate (if you understand them as the real protection of the freedom of speech) be able to carry them out? The Federal Service for Television and Radio Broadcasting only exists on paper so far. The Judicial Chamber for Information Disputes only has advisory powers. There remains the Committee for the Press, or, more precisely, its chairman, Boris Mironov—the only person who figures personally in the government decree. He has been entrusted with the task of chairing the liquidation committee, while the committee he heads has the job of monitoring the observance of legislation "in the sphere of the press and the licensing of publishing and printing activity." Judging by the numerous public utterances of this figure, who considers newspapers such as PRAVDA to be a "symbol" of our press, it is not hard to imaging how he will implement this monitoring task.

And yet the elimination of the inspectorate is in principle undoubtedly a positive fact. The state has given up its last specialized organ supervising the press. (Let us recall that the inspectorate "rank and file" were recruited from among personnel of the old Main Administration for Literary Publications).... Is it the last? After all, the draft law on television continues to feature a notorious council which is part supervisor and part trustee.

Surge in Criminal Bombings Explored

MM2507102794 Moscow ROSSIYSKAYA GAZETA in Russian 21 Jul 94 First Edition pp 1, 2

[Article by Vyacheslav Kocherov and Federal Counterintelligence Service Staffer Aleksandr Mukomolov under the "Theme of the Day" rubric: "Checked: Bombs! They Could Kill Any One of Us"]

[Excerpt] It looks like a feature of the early postwar years may return—plaques and signs in chalk on the walls of surviving buildings saying: "Checked: No bombs!" Nowadays bombs are to be found in the most unexpected places: at subway stations, outside apartment doors, behind the counter at a night bar, in a briefcase "accidentally" left somewhere, underneath a respectable foreign car, and even in an armored safe in a guarded bank.... Not always, alas, do bomb disposal experts turn up in the right place at the right time.

In our pragmatic age figures are much more convincing than any words. The number of deaths as a result of the "bombing war" in urban districts is only exceeded by the number of losses on the CIS' front lines. However, the effectiveness of these homemade explosive devices with timing mechanisms placed in a parcel, the platform of a railroad car, a water tower, or an airliner may be greater than the effects of any shell or aerial bomb. Also the fear engendered by danger which stalks you at every step is capable of paralyzing society.

Statistics: Yesterday and Today

While until 1992 a total of between 30 and 50 illegal explosions were recorded for the whole of the territory of the USSR (including methods of catching fish employed by poachers), as many as 240 of them went off in Russia alone in 1992. A record of a kind was "set" last year with 350 explosions.

Today few people recall the tragedy of 15 years ago when in the course of a single day in Moscow three explosions rang out: Two on 25th Anniversary of October Street (now Nikolskaya Street) and one in a subway train between "Izmaylovskaya" and "Pervomayskaya" stations. Seven people were killed and 35 received injuries of varying severity.

The tragedy in the subway was shocking in its mindless brutality. This is how an eyewitness remembers it:

"Blood everywhere, mutilated people, groans, people's belongings thrown about. A child about 12 years of age in black leggings who had been completely lacerated...."

Three terrorists carried out in cold blood in act it is hard for a normal person even to imagine. [passage omitted]

In our country, instead of looking for effective ways of combating terrorism, advice is handed out about how you can protect your own life. We have begun to arm ourselves, acquire guard dogs, shut ourselves off behind steel doors, hire bodyguards.... At the automobile plant in Nizhniy Novgorod they have started mass production of armor-plated "Volga's"—today anyone who can find the money can obtain them....

What about everyone else? Should they make suits of armor? After all, today an explosion may unexpectedly

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occur beneath the feet of any passerby in the worst possible place for this. Maybe we do not have enough tough laws?

Stanislav Zhorin, chief of the duty service of the Federal Counterintelligence Service [FCS] Directorate for Moscow and Moscow Oblast, who is in charge of the operational investigative groups which go out to various types of incidents, considers: "It is not a question of the laws but of the mechanism for their implementation. The number of explosions on the streets of the capital and Moscow Oblast is growing, but no changes are being made to the staff of the subunits who are investigating them. This is the first point. Second, have you ever heard of any responsible persons—commanders of military units, pit chiefs, or mine directors—facing criminal charges for uncontrolled consumption or writing off of explosives?..."

We personally have not. Though there are sufficient laws and sanctions to do this. However, we have also not heard of laws being applied toughly to the various types of blackmailers and extortionists who resort to the threat of carrying out terrorist acts. They pay no more for their offensive jokes than drunken brawlers.

Possible Outcome of TNT "Jokes"

As yet our time bombs are filled with TNT. However, Western experts claim that it is perfectly within the powers even of a terrorist group to build a primitive nuclear device. Provided, of course, the assistance of specialists can be enlisted.

Ugandan dictator Idi Amin did not have such specialists, though he had a grandiose plan to "equip" all Ugandan embassies with portable nuclear devices fitted inside briefcases. The operation under the code name of "Poker" was planned by Amin himself and aimed to get hold of trump cards in the global political game. Far-reaching plans for nuclear blackmail were discovered in 1979 soon after the Amin regime's collapse. Fortunately, they were not destined to be realized....

However, attempts to use this kind of blackmail were made even earlier. It was 1975. In New York. The municipal authorities received an ultimatum: "We have designed and built a nuclear bomb; it is hidden on Manhattan Island. The device will be detonated at 1800 hours unless you do meet our demands and hand over $30 million in small denominations, in unmarked notes with mixed serial numbers."

The seriousness of the terrorists' intentions was confirmed by a plan attached to the note which experts think was made by a specialist in nuclear physics. Who wrote the note and drew the plan was never determined: Nobody turned up for the package containing the money....

As we know, there are specialists in nuclear physics, chemistry, and biology in Russia. What is more, quite a few of them are today on the verge of losing their jobs.

"Whereas previously it was on the whole people with sick minds who assembled homemade explosive devices, it is now usually professionals who do this," Yeremin [deputy chief of the FCS bomb disposal department] says. "They include experts in electronics, radioelectronics, and chemistry. You also meet pyromaniacs. I remember one who was detained in Kimry. There was such a quantity of explosive devices in the basement of his home that even the owner had lost count of them. He wrote poetry about his metier. I even saw his poem about an explosion in a suburban electric train. He painted the scene graphically and with inspiration...."

This situation is already serious. What does the taxpayer fear most of all? For the most part crime. By this he does not mean Vaska the hooligan at the beer stall, but the nameless mafioso. Vaska is not dangerous. You can come to an agreement with him if you are nice. The unknown mafioso is terrifying because of the explosive way he proves he is right and powerful. He inspires people with horror, which translates into terror. When the people are seized with horror, they act as a mob. And you can do what you like with a mob where each person dies alone.

If explosions go off, "this means somebody needs this." This is the conclusion you may reach when you reflect on the chronicle of events in the bombing war and its increasing role in modern Russian history.

Economic Issues

Yeltsin Signs Decree on Privatization Program

LD2207122694 Moscow Russian Television Network in Russian 1200 GMT 22 Jul 94

[From the "Vesti" newscast]

[Text] We have just received an announcement made by the Russian president's press secretary which says that the Russian president has today signed a decree on the main provisions of the state program of privatization of the state and municipal enterprises in the Russian Federation after 1 July 1994. Before signing this decree the president had a meeting with Ivan Rybkin, chairman of the State Duma.

Further on Privatization Program

LD2207194594 Moscow INTERFAX in English 1611 GMT 22 Jul 94

[Text] Russian President Boris Yeltsin signed a decree mapping out a new privatization program, his spokesman Vyacheslav Kostikov said.

Kostikov issued a statement saying that the decree, signed on Friday, lays out a strategy for the second stage of privatization of state-and municipally-owned enterprises (the first stage having been based on so-called privatization vouchers or checks). He also noted that the paper holds concrete measures, including those aimed at

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protecting the interests of federal and municipal authorities and private individuals.

"The president's decree demonstrates his political will to follow the strategic course of market reforms that will bring Russia into the global economic system," Kostikov says. "The decree, the draft of which was presented today to the president by Chairman of the State Property Committee Anatoliy Chubays, takes into account a series of constructive proposals made by the State Duma (the lower house of parliament)," with whose chairman, Ivan Rybkin, Yeltsin had a meeting with before signing the decree.

The new program offers tougher terms to the workers at enterprises undergoing privatization than did the previous one. Thus, in the previous privatization variant the employees were to be given 25 percent of non-voting shares gratis, while in the new variant they are able to buy 10 percent of common shares at a 30 percent reduction of the face value. Under the former program, they could buy, either at great reduction or at face value, up to 51 percent of shares in their enterprise.

In addition, 51 percent of the total revenue from the sale of shares by an enterprise, under the new version, must be invested in its development.

A property's asking price under the new program is to be based on that quoted as of January 1, 1994, and, according to expert estimates, this estimate will be seven to 10 times higher than it would have been under the previous program.

Communists To Fight Law

LD2307182394 Moscow ITAR-TASS World Service in Russian 1659 GMT 23 Jul 94

[By ITAR-TASS correspondent]

[Text] Moscow, 23 Jul—State Duma deputies from the Russian Federation Communist Party have appealed to the Constitutional Court to declare President Yeltsin's 22 July decree on the second state of privatization unconstitutional. This was announced at the party's plenum held in Moscow 23 July.

The plenum called upon the people of Russia to "set up a wide resistance front to oppose the sale of state and municipal enterprises."

Yeltsin Aide Responds to Communists

LD2407185194 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 24 Jul 94

[Text] Presidential aide Georgiy Satarov called the communists' desire to go to the Constitutional Court the cry of an injured soul. He said the property issue is, I quote, most painful and the leaders of the Communist Party understand this very well, but have no constitutional response to this. It should not be parliament who approves the federal program, Satarov believes. The address to the Constitutional Court over privatization was a most hopeless move, Satarov said.

'Text' of Privatization Program Edict

LD2307004594 Moscow ITAR-TASS World Service in Russian 1738 GMT 22 Jul 94

[Text] Moscow, 22 Jul (ITAR-TASS)—The full text of the edict by the Russian president on 22 July 1994 "on the main provisions of the state program for the privatization of state and municipal enterprises in the Russian Federation after 1 July 1994" (No. 1535) follows:

"With a view to deepening economic reforms and in connection with the end of the period of validity of privatization cheques, I decree that:

1. The main provisions of the state program for the privatization of state and municipal enterprises in the Russian Federation after 1 July 1994, as presented by the Russian Government and finalized with account of proposals by State Duma deputies, are to be approved.

2. The Russian Government, the state committee of the Russian Federation for the management of state property, with the participation of the Russian federal property fund, are to approve within a week a timetable for preparation of statutory instruments within their remit and guaranteeing transition to implementation of the main provisions of the state program for the privatization of state and municipal enterprises in the Russian Federation after 1 July 1994. Amendments and additions proceeding from the main provisions of the state program for the privatization of state and municipal enterprises in the Russian Federation after 1 July 1994 are to be made before 1 September to statutory instruments already published.

3. The Russian Government is to ensure before 1 September 1994 that:

—approval is given to regulations for payment, allocation, accounting, and management [kontrol] of revenues raised from privatization of state and municipal enterprises, and also for transfer to the balance sheet of local self-government bodies of state share dividends assigned to financing social and municipal amenities which are being transferred to local authorities during privatization of state enterprises;

—property allocated under the implementation of foreign technical aid in accordance with the Russian Federation's international agreements is to be exempt from customs collections and import and export duties.

4. State authorities of republics within the Russian Federation, of an autonomous region, of autonomous districts, territories, regions, and the cities of Moscow and St. Petersburg and the relevant committees for the management of state property are to adjust republican and local privatization programs to comply with the

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main provisions of the state program for the privatization of state and municipal enterprises in the Russian Federation after 1 July 1994 within two weeks of publication of the latter.

5. The Russian Government is to present for examination by the Russian Federal Assembly within three weeks a federal bill on amendments and additions to the taxation legislation of the Russian Federation providing for:

a. Exemption of the following from all forms of taxation:

—sums received by privatized enterprises as investment as a result of an investment competition (tender);

—sums allocated by authorities of members of the federation as loan finance for the process of privatization and for post- privatization support of enterprises;

—sums allocated to Russia in the form of foreign technical aid and foreign credits to support implementation of reforms;

b. Exemption of specialized investment privatization funds from advance payments of profit tax, from tax on dividends on shares belonging to them, from tax paid on registration of prospecti for issue of securities to be paid up in privatization cheques;

c. Extension of taxation concessions contained in the Russian law "on taxation of securities transactions" to state securities, to targeted bonds issued by executive authorities of members of the Russian Federation and by bodies of local self-government for financing of social amenities transferred, during privatization of enterprises, to ownership of members of the Russian Federation or to municipal ownership.

6. The above decree comes into force from the moment of publication and remains in force until adoption of the federal law "on approval of the State program for privatization of state and municipal enterprises in the Russian Federation after 1 July 1994.
[Signed] B. Yeltsin

[Dated] Moscow, Kremlin 22 July 1994, No. 1535."

Aide Says Yeltsin 'Very Satisfied' With Duma Relations

LD2307195194

[Editorial Report] Moscow Radio Rossii Network in Russian at 1800 GMT on 23 July carries a three-minute interview with Georgiy Satarov, aide to Russian president Boris Yeltsin for liaison with the Federal Assembly, parties, and public organizations, by correspondent Aleksandr Kulikov on the results of the first six months of work of the State Duma. Satarov says that its most important achievement was the adoption of the Russian Civil Code.

Asked about Yeltsin's rapport with the State Duma, Satarov replies: "It differs quite significantly, both in terms of methods and simply in terms of atmosphere, from what we had a year ago. The president is very satisfied with his ongoing contacts with the chairmen of the two chambers. The president has regular meetings with factions. Also, work is continually in progress on the part of representatives of the president, the government and the Federal Assembly: when necessary, when some tensions emerge, then conciliation groups are set up, and more often than not they manage to come to some crucial decisions."

Asked whether the principles of cooperation with the Federal Assembly laid down in the president's address to the assembly in February 1994 have been observed, Satarov says: "First, the Treaty on Public Accord is the result both of the president's address and of the Duma's initiative. This is a very important step, which is now becoming not just a statement of intent, but a means of solving some specific problems. Second, there has been a rather substantial convergence of the keynote objectives the president sets himself and the keynote objectives of the rather wide political spectrum represented in the Duma."

To the question of whether there are factions in the Duma on which the president can rely while lobbying the chamber, Satarov replies: "I would say that one of the drawbacks of the existing methods is that this reliance, this lobbying, has not yet become a normal standard practice."

Satarov declines to say which factions in the State Duma he feels close to himself, saying: "because of my position, I just cannot single out certain factions. I have to work with them all, and that's what I do."

Chernomyrdin Discusses Tax Status of Scientific Centers

LD2207204394 Moscow INTERFAX in English 1910 GMT 22 Jul 94

[Text] The Russian government will consider the possibility to lower taxes and to grant customs breaks to elite scientific centers. This decision was adopted at the meeting between Russian Prime Minister Viktor Chernomyrdin and directors of Russia's 12 largest scientific institutes. They include research centers for aircraft and ship building, and for the spheres of nuclear science and biotechnologies.

Russia's Science and Technical Policy Minister Boris Saltykov reported to journalists on the conclusion of this meeting that in a week the leaders of these centers are to present their proposals on these problems to the government.

There are about 4000 institutes in the Russian Federation including 42 highly-advanced scientific research centers. "The meeting discussed the issue of how to create economic conditions for their normal existence," Saltykov said.

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In his words, today many scientific centers form one-third of their budget from contracts with foreign institutions and in a year many of them will be surviving only thanks to orders from industry.

Saltykov pointed out that several key issues on benefits for scientific centers have to do with legislative changes. "Years are needed for this and the premier declared that the tax problem can only be solved by a presidential decree," Saltykov continued.

Saltykov reported that currently the ministry is developing a draft which provides for the creation of scientific-financial- industrial groups headed by scientific centers in several branches of industry.

One of these groups is expected to be formed around the State Institute of Applied Physics in St. Petersburg.

Chernomyrdin Orders Monitoring of Social, Labor Spheres

LD2207184094 Moscow ITAR-TASS in English 1604 GMT 22 Jul 94

[Text] Moscow July 22 TASS—The Russian Government has decided to conduct nation-wide monitoring of the social and labour spheres, starting in 1995. This implies a government system of keeping track of the basic social and labour trends to prevent and remove negative tendencies, stated a resolution signed by Prime Minister Viktor Chernomyrdin on July 18, 1994.

Among other things, subject to monitoring will be employers in public and private of enterprises, establishments and organizations, regions, industrial sectors and specific demographical and professional groups, the resolution stated.

The responsibility of conducting monitoring has been entrusted to the Russian Labour Ministry and the Central Statistical Board, but will also require the participation of the Ministry of Economics, the Ministry of Social Welfare, the Federal Employment Service, the Federal Migration Service, and other federal executive bodies, as well as the consenting subjects of the Russian Federation.

The Russian Labour Ministry and the Central Statistical Board will be responsible for establishing a common system of monitoring data and determine its subsystems jointly with interested executive bodies.

Government Reduces Import Duties on Alcohol, Cigarettes

LD2207195194 Moscow INTERFAX in English 1611 GMT 22 Jul 94

[Text] The Russian government has reduced excise duties on imported alcoholic beverages and cigarettes and altered the system for levying them.

A directive published on Friday replaces the present procedure, whereby the duty is set at a percentage of a commodity's price as recorded in customs papers, with one under which a duty is to be set in ECU and levied on each unit of a commodity. The aim is to prevent importers from understating the value of their commodities to customs authorities.

In particular, the directive sets the per liter customs duty on beer at 0.3 ECU, that on wine at 0.5 ECU, that on spirits at 5 ECU, and that on vodka at 3.5 ECU, replacing today's 100, 50, 200, and 250 percent of their customs price respectively. As for the duty on pure alcohol, the directive leaves it at 400 percent of the customs price but prohibits it from being set at less than 4 ECU per liter.

The duty on cigarettes will be 6 ECU per 1,000, which is much lower than the present charge of 100 percent of the price.

An earlier government directive introduced tougher procedures for the import of alcohol and cigarettes. Thus, special marks are to be put on them starting in July/August to preclude their contraband importation. From January 1, 1995, sale of products not bearing such marks (the cost of which is to be paid by the importer) will be banned.

Nowadays no duties are paid on between one-third and half of the alcohol and cigarettes brought into the country according to experts. They say Russia imports 70 million deciliters of vodka and 140 billion to 150 billion cigarettes a year, its annual consumption of vodka standing at 200 million deciliters and that of cigarettes at 250 billion.

Chubays To Compromise With Duma on Voucher Issue

LD2207205594 Moscow Radio Rossii Network in Russian 1900 GMT 22 Jul 94

[Text] Anatoliy Chubays, chairman of the Russian State Committee for the Management of State Property, is prepared to seek a compromise with the State Duma on approving the law on the program for post-voucher privatization. The parliament's lower chamber plans to return to its consideration in the fall.

Addressing correspondents this evening, Chubays said that yesterday the Duma did not use its chance which the president has given it. In his words, during yesterday's voting on the program, the lower chamber split into two groups. The first consisted of deputies capable of compromise. The second, those incapable of a sensible conversation in principle. Anatoliy Chubays ascribes the Liberal Democratic Party of Russia, Communists, and agrarians to the second group.

Commenting on the president's edict on the main provisions of the state privatization program after 1 July, the vice premier said the document is supplementing the privatization program which is currently in force. In his words, the document takes into account as many as

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possible of the State Duma's amendments. At the same time, Chubays said he regards some amendments proposed by the parliament as unacceptable and he will never agree to them.

Text of Privatization Voucher Edict

MM2507091794 Moscow ROSSIYSKAYA GAZETA in Russian 21 Jul 94 First Edition p 1

[Edict No. 1498 signed by Russian President Yeltsin in the Kremlin, Moscow, on 20 July 1994: "On Additional Measures to Protect Citizens' Interests in the Stage of Transition from Check Privatization to Monetary Privatization"]

[Text] To protect the interests of citizens in the stage of transition from check privatization to monetary privatization, I decree:

1. That, until 15 August 1994, property funds at all levels are to ensure the redemption of all privatization checks accepted by them (or their representatives or brokers) as part of the procedure of payment for the privatization deals carried out by them and their transfer to the corresponding committees for the management of property with the simultaneous presentation of ccounts in the prescribed form.

2. That, until 1 September 1994, the Russian Federation State Committee for the Management of State Property shall ensure the uniform accounting of the redeemed privatization checks accepted by the committees for the management of property and the presentation of the account to the Government of the Russian Federation.

The destruction of privatization checks will not take place in the aforementioned period.

3. The executive bodies of the Russian Federation components which have not ensured the use of the privatization checks issued on their territories shall be empowered to allow the property funds operating on these territories to accept privatization checks issued on those territories and unused after 1 July 1994 for up to three months from 1 September 1994 at their face value in payment for privatization facilities acquired by citizens in accordance with the privatization programs approved by the state authorities of the corresponding Russian Federation components.

If the aforementioned decision is adopted the funds contributed by purchasers in payment for the privatization facilities in the form of privatization checks shall be included as a proportion of the privatization revenue liable to be paid into the budget of the relevant Russian Federation component.

4. The present Edict goes into force from the moment of its signing.
[signed] B. Yeltsin, president of the Russian Federation.
The Kremlin, Moscow, 20 July 1994.
Edict No. 1498.

Panic at Stock Exchange After Company Investigated

LD2207183294 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 22 Jul 94

[Text] The Finance Ministry is warning Russian citizens against operations with doubtful securities. It is noted that shares in the MMM Joint Stock Company and so-called deeds of purchase on securities, promissory notes, and certificates from various financial and trading companies including Russkiy Sakhar and Rosalko are not strictly securities.

In the meantime, the State Tax Service and the Tax Police Department have examined the finances of the MMM company. It is reported that instances of gross violations of the tax laws were brought to light. The total sum laid claim to by the state budget is 50 billion rubles. You will recall that Sergey Mavrodi, the president of MMM, earlier declared outright that should his company be investigated he would halt the joint stock company's activities.

After the appearance of these reports, panic broke out at the Russian Commodities and Raw Materials Exchange [tovarno-syrovaya birzha], our correspondent reports. The supply of MMM shares soared while demand was minimal. According to information at 1700, buying was at less than 90,000 per share, which means a fall in the quotation by more than 15 percent.

Reasons for Unexpectedly Low Inflation Eyed

MM2207113194 Moscow IZVESTIYA in Russian 20 Jul 94 p 1

[Article by economist Andrey Illarionov, former economic adviser to Russian Federation prime minister: "Chernomyrdin's Government Is Doomed To Continue Fighting Inflation"]

[Text] When Ye. Gaydar and B. Fedorov quit the government in January of this year, many analysts, including the author of these lines, predicted an inevitable acceleration of the rate of inflation by the summer and maybe even hyperinflation. Six months have passed, and neither has happened. Moreover, the rate of inflation, as though bewitched, has consistently fallen, reaching in June a record low since October 1991—6 percent a month. What has happened?

Thanks, above all, to the existing macroeconomic dependencies, a low growth rate for prices was predetermined by the relatively tough monetary and financial policy at the end of 1993 for at least four months. Thus the inflation of January-April and, at the outside, through May was ensured thanks to the efforts of the departed vice premiers. But June's inflation was already the direct result of the activity of V. Chernomyrdin's government. Why then did the rate of inflation continue to fall, while the forecasts, which seemed so obvious, did not come true?

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Grounds for gloomy predictions were provided by the promises which the government's leadership widely disseminated at the beginning of the year to "put an end to market romanticism," "combat inflation by means of nonmonetary methods," "give support to the base sectors of the economy," and "end nonpayments." It was impossible not to believe those words because they were the words of "strong economic planners" and "firm leaders." Moreover, they fully conformed to their previous actions—the active distribution of privileges, credits, and subsidies, the mutual offsetting of debts, monetary policy in the near abroad, the establishment of purchase prices for grain at the world level, and financial adventures like the monetary reform and the decisions to construct a new parliament building or to unite monetary systems with Belorussia [Belarus].

It is perfectly obvious that, if this policy had continued and if the promises made had been implemented, then we would have been guaranteed an increase in the rate of inflation. But precisely this did not happen. On the contrary, the monetary and financial policy that was being implemented at least in the first quarter of this year more or less corresponded in its main features with the one implemented by Fedorov and Gaydar in the last quarter of 1993. Why? What made the government's leadership betray its own intentions and its own gods?

With the departure of Fedorov, that "bad vice premier who gave no money," the possibility of playing the "good premier who is understanding of the sectors' needs" dried up, and the "need to keep the budget" rose up with the utmost clarity before Chernomyrdin himself. His communication on economic topics with the departed vice premiers had evidently had some effect. Commentaries by the mass media, which were full of warnings and painted vivid pictures of future hyperinflation, undoubtedly played their own very important psychological role.

It is, however, the elections of 12 December 1993 and the conclusions which the chairman of the government could not fail to draw from them that should be considered the chief factor in such an impressive success in the anti-inflation policy. The chief conclusion was that both the government party and the government's leader were doomed to defeat in the elections if prices were growing in the country by 20 percent a month. No real or imaginary services and no promises would make the voter vote for politicians who were incapable of coping with inflation—the chief plunderer of private and public wealth. Conversely, the laurels of the tamer of Russian inflation will be the strongest trump card in the upcoming presidential election. The presidency is almost guaranteed for whoever is able to do this.

If Chernomyrdin had participated in the December elections, he would have suffered just as crushing a defeat in them as the parties which gained his favor. Therefore the continuation of his own previous inflationary course would have spelled political suicide for him. Only an anti-inflationary policy, only victory over inflation are capable of helping him to mount the last step separating him from the Russian presidency. Precisely this is why he has begun so unexpectedly and so firmly advocating curbing the appetites of certain lobbyists, has not fulfilled his previous promises, has limited subsidies, and has restrained budget expenditure, seeking "secret stabilization" and considerably surprising domestic and foreign observers with his "spontaneous monetarism."

The fervent Huguenot Henry IV accounted for his betrayal of Protestantism and his switch to Catholicism by stating his desire to become the French king—"Paris is worth a mass." Being no less ambitious, Chernomyrdin, if he had not been more cautious, could long ago have made this comment on his 1994 policy: "The Kremlin is worth shock therapy." But from the viewpoint of Russian national interests it is of little importance what personal motives guide a particular politician in seeking to lower the rate of inflation. The chief thing is whether he succeeds in this. "It does not matter what color a cat is, so long as it catches mice."

Unlike Henry IV, however, under Russian conditions the mere desire to conquer inflation is not enough. It is also necessary to know how this is done and to have sufficient political will to achieve it. Financial stabilization is not achieved just by the ability to "keep the budget." There will not be sufficient strength for this for long. Then it will be necessary either to adopt unpopular, painful decisions or to back down.

The Kremlin is undoubtedly worth shock therapy. But will a leader be found in Russia who is capable of paying such a price? [Illarionov ends]

Against the background of the two sensational resignations of Yegor Gaydar and Boris Fedorov, the departure from the government of Andrey Illarionov, leader of the government chairman's analysis and planning group, was not so noticeable. Nevertheless, Andrey Illarionov left the cabinet for the same reasons as the vice premiers: disagreement with the policy being pursued at the time. On 8 February, in this same place, on the front page of IZVESTIYA, Illarionov warned that the planned economic course would lead to inflation of 30-35 percent a month as early as April. It was with such a prognosis that he tendered his resignation.

Military & Space Issues

Yeltsin Orders Chernomyrdin To End Delays in Soldiers' Pay

LD2207192694 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 22 Jul 94

[Text] Russian Prime Minister Viktor Chernomyrdin has promised to solve the problem of delays in military servicemen's allowances in the next few days. This

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statement followed a meeting between Sergey Yushenkov, State Duma Defense Committee chairman, and Boris Yeltsin, Russian president and commander in chief. Sergey Yushenkov himself told us that one of the issues discussed at the meeting was the inadequate financing of the military budget.

[Begin Yushenkov recording] Within, note, the limits of the military budget. The president at once gave an order to the prime minister immediately to remove all obstacles preventing the uninterrupted, immediate financing of military servicemen. We also discussed problems relating to the need for a structure in the presidential administration that would work on military policy in the area of military construction. [end recording]

New Mobile Satellite Control System in Service

LD2307114294 Moscow NTV in Russian 1800 GMT 22 Jul 94

[Text] With the collapse of the USSR, the Military Space Forces [VKS] lost those space command control and telemetry systems [komandno-izmeritelnyy kompleks—KIK] which were located in Ukraine, Kazakhstan, and Uzbekistan. But in January this year a mobile KIK, which allows spacecraft to be controlled from practically anywhere in Russia, was deployed in Kaluga oblast for the first time. The complex was built at the Izhevsk factory, and was shown to us for the first time during a tactical exercise. It has a range of advantages over the currently inactive systems in Yevpatoriya, Simferopol, (Dunaytsy), and Balkhash. The complex can operate under field conditions and is comparatively small: It is made up of eight vehicles and has a complement of 20 officers. If necessary the equipment can be redeployed to any point within Russia, and establish contact with any of the 150 currently active spacecraft within one hour. VKS officers now think:

[Begin Nikolay Shcherbakov, VKS composite unit commander recording] We will be independent of the political climate and of other problems which may arise in these difficult times in the former Soviet Union. [end recording]

Artic Fleet Concludes Successful Barents Sea Exercise

LD2307163894 Moscow INTERFAX in English 1527 GMT 23 Jul 94

[Text] The Arctic fleet has successfully completed a naval exercise in the Barents sea.

As Interfax has learned from the Russian Navy Command, the maneuvers involved the nuclear-powered missile carrier Admiral Nakhimov, the destroyer Rastoropny, the big landing craft Moskalenko, nuclear-powered and standard submarines. Rockets, torpedoes, and artillery shells were fired more than 50 times, and minesweeping operations were conducted.

Air cover was provided by TU-22 planes with missiles on board, anti-submarine IL-38 aircraft, SU-27 fighters, hydroplanes, and antisubmarine helicopters.

A marine battalion practiced an operation on boarding a landing craft.

The exercise was supervised by the Arctic Navy Commander, Admiral Oleg Erofeev.

Experiments on Mir Space Flight Continue

LD2207134894 Moscow ITAR-TASS World Service in Russian 0854 GMT 22 Jul 94

[Text] Flight Control Center, 22 Jul (ITAR-TASS)—The Russian-Kazakh crew comprising Yuriy Malenchenko, Tolgat Musabayev, and Valeriy Polyakov is continuing its flight on board the "Mir" orbital station. Astrophysical experiments using the "Mariya" magnetic spectrometer, a number of medical control tests, and some technical servicing of individual on-board systems in the manned station are included in the crew's work program today.

The cosmonauts have taken a large number of pictures of the land masses and the waters of the world's oceans this week as part of the program of research into Earth's natural resources and study of the environment. Handheld and fixed cameras were used in this work, as well as a video-spectrometric device mounted on the "Kvant-2" module. A series of experiments to determine the intensity of ultra-violet radiation in near-Earth space was also conducted as part of the geophysical research.

Research continued into the space-energy characteristics of X- ray, gamma, and neutron radiation originating from space in order to gain scientific information about the link between physical processes occurring within the universe and on our planet.

The flight is proceeding normally. The cosmonauts are healthy and are feeling well.

State of ASW Submarines, Torpedoes Criticized

MM2207132394 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 20 Jul 94 pp 1-2

[Report commissioned by NOVAYA YEZHEDNEVNAYA GAZETA and prepared by group of military experts: "Military Secret: 'Evidence Will Surface—Two.' Some 70 Percent of 'USET-80' Torpedoes Sink Before Reaching Their Target"]

[Text] NOVAYA YEZHEDNEVNAYA GAZETA published an article by Reserve Captain First Rank Ilya Kolton 11 June this year entitled "Evidence Will Surface" regarding the real state of affairs in the Russian Navy. The first rank captain had documents proving that the leadership of the Navy "in alliance" with the military-industrial complex is manufacturing underwater

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targets [podlodki-misheni], whose noise levels render them totally useless as the "motherland's shield."

Many publications around the world have reprinted the NOVAYA YEZHEDNEVNAYA GAZETA article and Russian deputies have scheduled parliamentary hearings in respect of the facts cited therein. Today, a few days before these hearings, we publish excerpts from a report prepared by NOVAYA YEZHEDNEVNAYA GAZETA experts.
[Signed] The Investigation Service.

Some Theses About the Effective State of the Russian Navy

Following the "Tsushima" disgrace, speaking at a State Duma session 24 May 1908, Russian Prime Minister Stolypin said without a shadow of hesitation: "Russia needs a navy... an effective navy that meets the standard of the latest scientific requirements. If it does not exist, if Russia's navy is not like that, it will only be harmful."

Russian missile-carrying submarines and ASW submarines have totally lost their main quality—secrecy of action. The noise levels of Russia's ASW submarines [protivolodochnaya podvodnyye lodki], including the latest generations, are 20-30 times higher than the noise levels of their U.S. counterparts, while the range at which Russian and U.S. ASW submarines can detect one another is 1:30-1:100 in favor of the United States. The Americans have become able to detect our ASW submarines with 0.95 probability and are able to monitor over 75 percent of the strategically important areas of the world's oceans. Navy officers, the KGB, and the Military Prosecutor's Office have repeatedly told the leadership about this, but no steps have been taken. Now Russia's ASW submarines have become floating targets, they have lost the capability of performing not only strategic tasks, but also defensive tasks even within coastal areas of possible combat operations despite the literally heroic efforts of naval personnel to maintain at least some kind of combat capability.

These ASW submarine targets are still being built, but now at a cost of trillions. And it is to these underwater targets that it is planned to shift the center of gravity in the sphere of Russia's strategic nuclear arms.

Technically our ASW submarines lack reliable rescue systems for personnel, the rescue chambers have considerable design faults, and there are no reliable individual and collective rescue systems.

Surface warships are in the same catastrophic state. Their hydroacoustic equipment is over 25 times inferior to its U.S. counterparts in terms of detection range. They cannot protect our aircraft carriers. And Russian aircraft carriers themselves, which were built at astronomical expense, are not combat capable: Their ASW and anti-aircraft defenses are ineffective, they cannot perform their assigned tasks (which have not even been stipulated as yet) and they will be simply annihilated with impunity at sea both at close range and long distance. Meanwhile keeping them in dock (on the roads) costs the country 100 million rubles [R] a year at 1990 prices; this now runs to R100 billion poured down the drain.

Tens of thousands of USET-80 electric torpedoes costing millions each have piled up in Navy stores, 70 percent of which sink as soon as they leave the torpedo tube or veer off course, and only 10 percent reach the target. The torpedoes (unlike U.S. torpedoes) lack the teleguidance system envisaged in the preliminary specifications and the electronic system is poor and does not ensure the effective use of torpedo weapons. Production of the dumb torpedoes is continuing.

The number of accidents and disasters involving fatalities among personnel is rising. In the last 25 years the U.S. Navy has not lost a single ASW submarine, but in that time we have lost five plus a few others that have been totally or partially disabled causing the death of personnel right at the pier or in dock. Explosions of live missiles, disasters involving aircraft, submarines, and surface ships, fires at weapons and munitions dumps have cost the lives of Russian soldiers, seamen, and officers in peacetime.

What Are the Main Reasons for the Navy's Disastrous Position?

In our view there are several reasons, we will just give the main ones.

A system has developed over the decades—and is in force even now—whereby the military-industrial complex in the shape of the Ministry of the Shipbuilding Industry with the full connivance (and agreement) of the Navy leadership would order ships for itself, accept them, and carry out all investigations into accidents and disasters (the true culprits were never found). At the same time the lessons of these disasters and accidents were not taken into consideration and shortcomings were not eliminated. The situation in the Navy deteriorated in particular in 1987 when L. Zaykov, member of the CPSU Central Committee Politburo in charge of the Navy, I. Belousov (former minister of the shipbuilding industry), and I. Koksanov (appointed to replace I. Belousov), with the effective assistance of V. Chernavin, secured the adoption of CPSU Central Committee and USSR Council of Ministers Decree No. 1241-302 of 30 October 1987 (which is still in force), whereby it became possible to accept warships from industry without a full test program, often without equipment, armament, and mechanisms solely on the basis of joint decisions on the part of the Ministry of the Shipbuilding Industry and the Navy (to all intents and purposes I. Belousov and V. Chernavin). In 1988 alone the Navy accepted into service eight ASW submarines, 16 surface ships, and three auxiliary ships which deviated from contract specifications with imperfections and shortcomings (but bringing ranks, orders, and awards for those who had obliged). In 1989-1990 the Navy literally received "scrap metal," which was more dangerous to its own personnel than to a potential adversary.

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Independent experts and deputies never carried out an inspection of the effective state of the Navy.

Are There Ways of Rectifying the Grave Situation in the Navy?

Yes, there are. It is primarily necessary:

—to implement a comprehensive inspection of the Navy by State Duma deputies involving independent military experts interested in the revival of a combat capable Russian Navy that accords with the highest world standards. This inspectorate will have to prepare a report to the State Duma and the Russian president not only regarding the status of the Navy, but also on measures pertaining to its reform, the restoration of combat readiness, personnel, basing, subsequent organizational development, and use;

—to immediately abrogate by Russian presidential edict the CPSU Central Committee and USSR Council of Ministers Decree of 30 October 1987, which still permits the commissioning into service (acceptance) of ships that fail to match the contract terms, particularly insofar as combat capability, reliability, and safety are concerned. It is necessary to suspend the operation of ships that deviate from preliminary specifications and safety standards before the introduction of the necessary measures to reduce the likelihood of accidents and disasters;

—to improve, in the interests of boosting the safe operation of arms and military hardware and with consideration for the new economic relations, the system governing deliveries of arms and military hardware and to set up a single state system for the testing and acceptance of arms and military hardware, independent of manufacturers and customers and subordinate to the supreme commander in chief of the Russian Armed Forces;

—to ensure that the Russian Prosecutor's Office completes the investigation into the Komsomolets ASW submarine disaster and brings the matter to court forthwith;

—to hold a parliamentary investigation into V. Chernavin's falsification of the positive results of interdepartmental tests and tactical exercises, which were approved by the Navy Military-Technical Council and which reduced the combat readiness of the Navy's strategic forces;

—to suspend production and acceptance of the unbattleworthy USET-80 torpedoes; to stop construction of underwater targets on the premise that it is far cheaper to pay workers for doing nothing than to pour trillions down the drain.

Federal Assembly

Rybkin Says Political Unity Duma's Main Achievement

LD2407134394 Moscow INTERFAX in English 1317 GMT 24 Jul 94

[Text] In an interview with Interfax, the chairman of Russia's State Duma Ivan Rybkin described new political unity as one of the main achievements of the Duma's first session.

He gave credit to the Duma, president and government for the state of civic peace and the gradual acquisition, by Russia, of characteristic features of a country living under rule of law. Although some trigger-happy guys would prefer a rule of political scuffle in the streets and eventually everywhere, he said, the State Duma emerged as a stabilizing factor.

In Rybkin's view, the Duma's greatest achievement was the endorsement of a federal budget for 1994.

It was irrelevant, he felt, whether it was the president or the national legislature who came out first with a new piece of legislation. The division of labor, Rybkin said, kept both the president with his executive orders, the government and the Duma busy.

But the Civilian, Criminal, Land and Water codes could not be introduced by presidential orders, he said, and had to be subjected to close scrutiny by the national legislature.

Rybkin agreed that too much time was wasted on empty talk. He suggested that the Liberal Democratic party stop "advertizing its electoral victory at every street corner" because experience showed that the Duma was capable of making decisions with or without the victorious party.

Rybkin said that in addition to support from his own Agrarian faction, he had come to enjoy support of those who opposed his nomination as the Duma's chairman.

But Also Admits Some Shortcomings

LD2207181994 Moscow ITAR-TASS in English 1748 GMT 22 Jul 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow July 22 TASS—Ivan Rybkin, chairman of the State Duma, announced on Friday night that the first session of the Russian parliament's lower house was over.

The State Duma's chairman praised lawmakers' activities highly and described it as "fruitful."

During the session lawmakers considered 205 draft laws, 44 of which became laws. Russian President Boris Yeltsin submitted 22 draft laws, lawmakers drew up 139 draft laws and government - 33, Rybkin said.

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Over 60 parliamentary hearings on key issues of Russia's life were held.

Pessimistic predictions voiced by skeptics and certain mass media about lawmakers' total inability to influence developments in Russia in a positive way, have not come true, Rybkin said.

"The State Duma chose a difficult, but creative approach by facing the task of leading the country out of deep crisis," Rybkin said.

Wide-ranging popular representation in the State Duma caused "parliamentary majority to focus on creative, fruitful activities and reject inter-party squabbles", he emphasized.

On the other hand, there were quite a few failings in the State Duma's activities, Rybkin admitted.

"The house has failed to respond to the challenge of the times in several areas," he said and expressed pity over the fact that lawmakers did not support President Yeltsin's decrees on fighting against crime and rejected the privatization programme proposed by the government.

According to Rybkin, lawmakers will be working in their constituencies next week, then parliamentary recess will follow and last till September 26. The second session of the Russian parliament's lower house will begin on October 5.

Party Leaders Divided on First Session

LD2307142694 Moscow ITAR-TASS in English 1414 GMT 23 Jul 94

[Text] Moscow July 23 TASS—Members of the Russian parliament's lower house started leaving for their constituencies. The lower house closed its first session on Friday [22 July].

The lower house of Duma made a present to the Russian people on the last day of its session: It approved the law on restitution and protection of Russian citizens' savings in the first reading.

Its essence is as follows: The real value of deposits at the savings bank, which existed as of Jaunary 1, 1992, will be restored. This will be done by their transfer into purpose-oriented debt obligations of the Russian Federation, which can be used as a legal tender in purchasing shares.

Announcing the end of the first session, Duma Speaker Ivan Rybkin said that legislators examined over 200 bills for six months, 44 of which became laws. The Duma held more than 60 hearings on key issues of the country's life.

The Duma speaker noted that "pessimistic" forecasts by sceptics about complete impotance of deputies to influence positively the development of the situation in the country failed to materialise.

"The Duma undertook a difficult but creative endeavour by setting the task of pulling the country out of the deep crisis," Rybkin stressed.

Most leaders of parliamentary groups whom ITAR-TASS approached, also positively appraised the results of the first session.

"The main thing is not what has been done but what has not happened: Pessimistic forecasts were voiced that the Duma would be unable to work and that it would take vengeance on the president. However, all fears disappeared into thin air," said Chairman of the Republican Party Vladimir Lysenko.

"The most important thing is that Russia has parliament and that it works. It is fine that there was no sharp confrontation at the session," noted leader of the Yabloko parliamentary group Grigoriy Yavlinskiy.

However, he added that there was "much slipshod work at parliament when dozens of bills were railroaded through the house in two or three days".

Leader of the Russian Communist Party Gennadiy Zyuganov passed the following verdict: "The Duma is taking to its feet, although slowly and with difficulty". In Zyuganov's opinion, it is "a roadblock, although a small one, in the way of presidential autocracy".

He noted that the Duma became "a real political body", and it "aptly reacted" to many political events both in the country and abroad.

Yegor Gaydar, leader of the Russia's Choice Party, was very conservative in his appraisal of the Duma's work: "Extreme politisation and a huge waste of time in empty speechifying, the essence of which is the following: a lot of claptrap to impress the uninitiated voter".

Leader of the Liberal Democratic Party of Russia (LDPR) Vladimir Zhirinovskiy who evidently has a grudge against his colleagues for something, gave an unequivocal and utterly negative appraisal of the Duma's work.

According to Zhirinovskiy, "inside confrontation" is brewing in the Duma. Deputies "are unruly and do not think about Russia's future".

When they return home, legislators will work at their constituencies for two weeks. Then, they will leave for summer holidays which will last till September 26.

The second session of the lower house will start on October 5.

Rybkin Credited with Stabilizing Role

LD2207131894 Moscow ITAR-TASS in English 0927 GMT 22 Jul 94

[By ITAR-TASS observer Lyudmila Aleksandrovna]

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[Text] Moscow July 22 TASS—As the first six-month session of the Russian State Duma comes to a close on Friday, faction leaders told ITAR-TASS that its results can be considered "satisfactory" or "mainly positive".

According to Mikhail Mityukov, the deputy chairman of the Federal Assembly's lower house, "the State Duma has done just as much as it could". The lower chamber accomplished the most important thing, which was to constitute the new parliament, and adopted more than 20 laws, he said.

However, Mityukov said, a lot of time has been wasted, and the Duma was unable to approve some very necessary laws. That is the fault of the political battle in the parliament, as well as the low amount of legislative initiative shown by the executive branch. In addition, departmental and regional lobbyists often get their way, the deputy chairman stated.

"The most important thing is not what has been done, but what has not happened: there were pessimistic predictions that the Duma would not be able to get any work done, that it would take revenge on the president; all these fears have proved groundless", according to Vladimir Lysenko, Duma deputy and chairman of the republican party. The deputies and the executive branch were able to stabilize the situation in the country and, to a significant degree, calm the political emotions in the Duma itself, he stressed.

Lysenko said that Duma Chairman Ivan Rybkin played an especially large role in achieving stabilisation. The deputy also noted that "a certain transformation has occurred in the president, who shifted from confrontation to a search for compromises". "The treaty on public accord proves that the president is trying to stabilize the situation in Russia and is ready to rely on a wide range of political forces, not just on the radical-democratic wing", Lysenko pointed out.

Russia's Choice Leader Yegor Gaydar was not quite as satisfied with the results of the Duma's first session. He said the first six months had been characterized by "the utmost politicalization and a great loss of time in empty verbal fights, whose purpose was merely to produce an impression on the unsophisticated voter".

On the positive side, Gaydar mentioned the adoption of several laws, including the law on the civil code and the law on amendments to the criminal code, which legalised the understanding of "organised crime", assigned equal punishment to crimes against state and private property, and widened possibilities for self-defence.

"The most important things is that there is a parliament in Russia, that it works, and it is very good that there have been no particularly sharp confrontations in it", according to Grigoriy Yavlinsky, the leader of the Yabloko parliamentary faction. At the same time, he said there was a lot of "carlessness" in the chamber's work. "Tens of laws are put through in two or three days". In addition, the Duma has not singled out its top priorities on which it should spend most of its time, Yavlinsky noted. They are: electoral laws, civil rights, and a commercial code, he said.

According to Aleksandr Dzasokhov, a Duma deputy and member of the new Regional Policy faction, "the professional political elite has gathered in the Duma, and the level of accord has not fallen, on the contrary, it has been rising". "Many of the Duma proposals concerning changes to the country's foreign policy doctrine and diplomatic practice have come closer to the attitude taken by the executive branch, which is why we may speak of more agreement on major foreign policy questions than was possible at the beginning of our work", he added.

"Slowly, with difficulty, but the Duma is getting its legs under it", was the verdict of Communist Party leader Gennadiy Zyuganov. In his opinion, the Duma is a "stone, however small, on the path towards presidential autocracy". He said the Duma had become a "real political body", which had "successfully reacted" to many political events in Russia and abroad. The Duma was able to reach agreement on the question of amnesty, and forced the government to work harder on the budget.

Nikolay Travkin, the head of the Democratic Party of Russia faction, said the Duma had had "enough healthy wariness" to avoid extreme confrontations, but had not realized its full potential.

Extreme nationalist Vladimir Zhirinovskiy, leader of the Duma Liberal Democratic Party of Russia faction, gave a purely negative assessment of the first six months of the Duma's work. Apparently he is very offended at his parliamentary colleagues for something or other. "I would give the Duma's work an 'F'", he announced. He said the lower chamber was riven by "antagonism and inner confrontation", and that the deputies were "uncontrollable and do not think about the future of Russia". "Not a single decision has been taken which would, even just a little bit, improve the lifes of our voters", Zhirinovskiy stated. He added that he now "understands the president's behavior during the tragic October days".

The Duma will now take a break after its first session until October 5, when it will reconvene again in plenary session, Duma Chairman Ivan Rybkin told the deputies on Friday. The deputies' vacation will last from August 1 to September 25, he noted. However, the legislative process will still go on, since the Duma's committees will continue work on preparing bills.

Rybkin also said that, starting September 26, the Duma deputies should spend a week working in their electoral districts.

Duma Adopts First Part of Civil Code

LD2207143394 Moscow ITAR-TASS in English 1358 GMT 22 Jul 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

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[Text] Moscow July 22 TASS—The Russian State Duma (lower house of parliament) approved the draft federal law "On Implementing the First Part of the Russian Federation Civil Code" on Friday. 237 deputies voted in favour of the bill, and 53 against.

The first part of the Russian civil code contains the main elements of civil legislation and defines the sphere of its application.

During the discussion of the draft law the State Duma committee for legislation and legal reforms made an amendment to the first part of the civil code of the Russian Federation. According to Vladimir Isakov, chairman of the committee, the essence of this amendment is that the civil code implies that "property relations can be strictly regulated by law." Earlier, property relations were regulated by enactments of the executive body of power, Isakov noted. Basic principles and norms of civil rights, in compliance with the amendment, will be determined by law. At the same time Vladimir Isakov stressed that bodies of power can develop and concretise these primary norms. For example, he explained, under the new civil code, it would be impossible to conduct the programme of the second stage of privatization by implementing russian presidential decree.

The third reading of the draft law on implementation the first part of the civil code will be held in October.

Asserts 'State Ownership'

MK2307122994 Moscow SEGODNYA in Russian 23 Jul 94 p 2

[Dmitriy Kuznets report in the "Code" column: "The President Has Been Forbidden to Interfere in the Economy. The State Duma Deputies Have Approved a Draft 'Super-law'"]

[Text] The State Duma has passed on second reading a draft of the first part of the Russian Federation Civil Code. Dubbed a "superlaw" when approved on first reading, the Civil Code regulates all economic and property relations.

Such a serious matter called for discussion of at least an entire working day. Some 500 amendments were proposed among the 450 articles. The Duma Legislation Committee approved half of them, rejecting the rest. All in all there were three volumes, which the deputies were supposed to study in three days. The deputies relied on the opinion of the Legislation Committee and adopted the amendments approved by it, turning down those it had rejected.

Three-quarters of the rejected amendments, which revised every article of the code—effectively becoming an alternative draft—were moved by Communist Martemyanov. All of them assert state ownership as the basis of all property relations. The Communist Party of the Russian Federation insisted that these amendments be adopted, otherwise threatening to vote against the code as a whole. This position was supported by the Agrarians, who were unhappy that the draft dealt with land relations and that the Civil Code touched on that subject at all. In the opinion of the Russian Agrarian Party, "this is a subject for the exclusive jurisdiction of the land code."

However this time the agrarian-communist tandem, which had killed the privatization program two days before—true, not without assistance from the LDPR and truant deputies—did not work. The agrarians had no unity, which has recently become a commonplace affair. Vladimir Isakov, chairman of the Legislation Committee affiliated with the Russian Agrarian Party faction, supported the draft.

Isakov, however, rehabilitated himself by proposing that the Duma accept an amendment prohibiting the president from issuing edicts regulating economic relations. For the agrarians this would mean a guarantee against the president's encroachments on the kolkhozes' rights to land. The deputies passed Isakov's amendment almost unanimously. With it the entire code was also approved.

Addressing the session, Sergey Zapolskiy, a member of the Legislation Committee, said that "the amendments approved point to a clearcut trend toward strengthening the role of the state in regulating civil relations." Persuading the deputies to approve the draft, Vladimir Isakov, recalling the disqualification of Diego Maradonna, stated: "We are now adopting the rules of a football game. They are very tough but these are rules for everybody without exception."

The third and final reading of the draft code will take place in October.

State Duma Approves Law on International Agreements

LD2207204794 Moscow INTERFAX in English 1846 GMT 22 Jul 94

[Text] The State Duma approved the law on Russia's international treaties on the whole today. A total of 247 deputies voted for it, 15 against, with nine abstentions. The law will now be submitted for consideration by the Federation Council.

Chairman of the State Duma Committee on International Affairs Vladimir Lukin informed deputies on the amendments made to the draft law after the State Duma had approved it in first reading.

Lukin said that, in particular, the amendment proposed by the Russian president had been taken into account and his right to suspend an international agreement if the chambers of the Federal Assembly for some reasons fail to consider the appeal of the head of state on this issue had been fixed in law.

The amendment proposed by Chairman of the Committee on Legislation and Judicial Reform Vladimir Isakov was also adopted. His adjustment was to exclude

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from the law the provision stating that only the president and the government have the right to submit international treaties for ratification. Now the State Duma will also have the right to initiate ratification.

Chairman of the Committee on the CIS Konstantin Zatulin proposed a different mechanism for sending official treaty proposals to the president. In particular, if formerly the draft law gave this right to the Russian Foreign Ministry, now the government's approval would be required.

Law 'Ignores' Yeltsin Objections

MK2307085494 Moscow SEGODNYA in Russian 23 Jul 94 p 2

[Report by Aleksey Kirpichnikov under the "Control" rubric: "Duma Passes International Treaty Ratification Regulations. President's Objections All But Ignored"]

[Text] The State Duma has passed the law "On International Treaties" in the second reading. The document was sent to the lower house by the president, with the Duma having fundamentally amended the text after the first reading, and making even more drastic changes after the second reading. There are three main amendments. The first—the Duma's right to consider the ratification of a treaty on its own initiative if the law comes into effect without ratification—limited the opportunity for the executive power to ignore the opinion of the representative power at the time of signing international agreements. The second obliged the Foreign Ministry to inform the Federal Assembly about treaties in the drafting phase, and the third keeps parliament posted on provisos to treaties that could require repeat ratification.

The second reading expanded the Foreign Ministry's duties. Proposals on the signing of treaties on behalf of the Russian Federation will now be submitted to the president by the government upon recommendation of the Foreign Ministry. This rules out direct contacts between ministries and agencies with the president, bypassing the government. The same objective is also sought by the amendment under which all decisions on holding talks to consider interdepartmental treaties and to sign them shall be made by the government, which, the deputies believe, will clear up today's mess where international commitments of various departments sometimes contradict each other.

Besides, the Duma has shared with the Federation Council the right to consider provisos to treaties, and has even taken into account a proposal from the president concerning his right to suspend treaties in urgent cases with obligatory subsequent approval by the State Duma.

The other amendments were turned down, while complaints by the president's representatives about infringing the rights of the president, the government, and the departments were ignored.

State Duma Approves Amendments to Criminal Code

LD2207133594 Moscow ITAR-TASS in English 1204 GMT 22 Jul 94

[By ITAR-TASS]

[Text] Moscow July 22—During today's morning session of the Russian State Duma, the parliamentarians approved the bill "On Introducing Amendments to the Criminal Code of the Russian Federation". In particular, the amendments toughen up laws concerning threats against or physical attacks on judges and on the illegal carrying and possession of firearms.

Regional Affairs

Chechen Opposition Demands Government Resignation

LD2207211694 Moscow ITAR-TASS in English 2047 GMT 22 Jul 94

[Text] Moscow July 23 TASS—"We demand that the (Chechen) government resign," Ruslan Labazanov, a leader of the Chechen opposition, said in a televised interview with "Independent Television" channel (NTV) on Friday.

He also demanded that Chechen authorities give back "all money belonging to the people".

A stand-off between governmental forces and an armed group led by Labazanov lasts for a third consecutive day. Labazanov's supporters have set outposts at the southern outskirts of the town of Argun and are controlling nearby railway and motor-road. Governmental troops have not resorted to active military actions against them so far, but issued an ultimatum demanding that the oppositionists put down arms and surrender.

However, it is unlikely that the oppositionists will comply with the ultimatum, local observers say.

According to NTV, Labazanov, 26, participated in armed clashes with governmental troops last month. He graduated from the Krasnodar Institute of Physical Culture. Leader of the "Misso" party ("Justice"), which was not registered by the Chechen authorities, although it was founded in 1991.

The number of his armed supporters is kept secret. According to non-official sources, he has 11 tanks.

Meanwhile, the situation in the Chechen capital is calm, except for a bomb explosion in the nine-storied building, where Labazanov lived. No casualties were reported.

Meanwhile, President Dzhokhar Dudayev has made major reshuffle in his administration. Khuseyn Ferzauli was appointed vice-premier, Ayub Satuyev, former deputy chief of secret police, was appointed interior minister. Former chairman of the National Bank Usman

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Imayev was replaced at this post by Nazhmudi Uvaysayeva to become prosecutor-general.

Dudayev also dismissed head of department for fighting against organised crime and several district prosecutors, who, according to local observers, supported the Chechen opposition.

The reshuffle inside Chechen power structures might serve as one of the reasons behind current crisis, mass media said on Wednesday. But the official Groznyy has denied the assumption.

Government Issues Ultimatum

LD2307111794 Moscow NTV in Russian 1800 GMT 22 Jul 94

[Text] [Correspondent] We received the film you are seeing from Chechnya a few hours ago. This is the third day of confrontation between government forces and Ruslan Labazanov's armed group. Labazanov's fighters have established positions on the southern outskirts of the town of Argun, and are in control of the railways and roads passing through the area. For the time being, government forces are refraining from active combat operations, but have given an ultimatum demanding that the opposition lay down its arms and surrender. It is unlikely however that Labazanov and his people will lay down their arms.

[Begin Labazanov recording] We demand the complete resignation of the government. That is one thing. The second is that all the money belonging to the people be returned. [end recording]

[Correspondent] Twenty-six-year-old Labazanov graduated from Krasnodar Physical Education Institute. He is the leader of the (Nesso), or Justice Party, which is not officially registered with the Chechen authorities, although it has been active since 1991. The number of Labazanov's armed supporters is carefully hidden, but according to our information, he has 11 tanks.

The situation in Groznyy remained calm, if you do not count the explosions in the nine-storey building where Labazanov had an apartment. There were no casualties in the explosion.

Chechen Provisional Council Appeals to Yeltsin

LD2507105194 Moscow ITAR-TASS in English 1025 GMT 25 Jul 94

[By ITAR-TASS]

[Text] Moscow July 25 TASS—According to sources in the Russian presidential administration, of the Provisional Council of the Republic of Chechnya [Chechen Republic], session held in Chechnya on Saturday, July 23, called on Russian President Boris Yeltsin to help the Provisional Council and the people of Chechnya restore order throughout the republic and recognise the Provisional Council as the sole legitimate organ of power in Chechnya. The council is headed by Umar Avturkhanov, leader of the Nadterechny area. The session was attended by representatives from all districts of the Republic of Chechnya, among others.

According to press reports, the Provisional Council of Chechnya has arranged for the publication of its newspaper "VOZROZHDENIYE" [REVIVAL] in Moscow. In the paper, the head of the Nadterechen area leader said that the council represents an alternative to the existing power structures in Chechnya.

Meanwhile, it has become known that Chechnya President Djokhar Dudayev has sent a letter to the former USSR procurator-general of the USSR asking him to give a legal assessment of the Belovezhki agreements and its consequences. The letter is addressed to Aleksandr Sukharev, who occupied his post from May 1988 to October 1990, and states that the government and the people of the Republic of Chechnya are "deeply concerned over the situation which has arisen in the former USSR."

Dudayev stressed in the letter that the breakup of the USSR has resulted in inter-ethnic conflicts between the former republics, and economic destruction and economic ties, and the breakdown of "internal, as well as external protection for the peoples of the USSR, that last consquence has led to government by adventureres, the misappropriation of national resources, an over-all crisis, and the impoverishment of the peoples."

The Chechen president recalled that "in 1992, 92 per cent of Chechnya citizens voted to retain the union in a renewed form."

Simultaneously, Ruslan Khasbulatov, asking the president of Chechnya to give up his post. According to the former chairman of the Russian Supreme Soviet, "Dudayev has no moral right to administer a republic where 70 per cent of the people have no jobs and over 80 per cent of enterprises are not producing anything." Khasbulatov proposed that he act as a mediator between Dudayev and the Chechen opposition.

According to reports coming in from Chechnya, an armed group led by Ruslan Labazanov continues to control the small town of Argun, as well as the Shalonsk and Vedenski Districts of the republic. The group has taken control of rail and road traffic passing through the area. The chief of the regional police department has been forced into exile. All attempts by the authorities to mobilize the population to stop Labazanov's activities have been fruitless.

Negotiators Defend Nationalities Minister

MK2407082094 Moscow NEZAVISIMAYA GAZETA in Russian 23 Jul 94 p 3

[Report by Natalya Pachegina under the "NEGA Reports" rubric: "Chechen Republic"]

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[Text] Sergey Butin, press service chief of the Russian Federation Ministry for Nationalities and Regional Policy, has briefed NEZAVISIMAYA GAZETA on the status of preparations for talks between Russia and the Chechen Republic. The Russian Federation group tasked with holding consultations with the Chechen side includes staffers from the Russian Nationalities Ministry, authorized representatives of republics and krays within the North Caucasus region, and a number of ministries, including the Social Security Ministry. The Russian Federation working group will be headed by a senior Nationalities Ministry official, Mikhail Savva, chief of the department for the affairs of nationalities. The range of questions the Russian side intends to discuss includes coordination of Russian and Chechen special services' crime- combating efforts. The Russian working group also plans to discuss with Groznyy questions concerning the protection of the rights of Russians in the republic, social safety nets for Chechen residents, and the security of railway and auto transport on the republic's territory.

Chagrined—or so it seemed to NEZAVISIMAYA GAZETA—by the Chechen delegation's opinion about their chief, Minister Yegorov, ministry officials recalled through our newspaper that back in spring of this year the Chechen president was a guest of the then chief of Krasnodar Kray, where the All-Russian Exhibition was taking place at the time, and the hosts had the impression that the president was pleased with the reception and the constructive work with the kray administration. Krasnodar officials also remembered that even a number of documents on economic cooperation were signed on that occasion.

Military Aspect of Shumeyko Kaliningrad Visit Viewed

WS2207141694 Kaliningrad YANTARNIY KRAY in Russian 13 Jul 94 p 2

[Commentary by V. Kostomarov: "An Important Aspect of Speaker's Visit"]

[Text] Vladimir Shumeyko, chairman of the Federation Council of the Russian Federation elected from our region to the upper chamber of the Russian legislature, has completed a visit to Kaliningrad Oblast. From newspaper reports our readers might have received a certain idea about the aims of the visit of one of the leaders of the federal representative power. That is why I will only dwell on one aspect of the visit—the military.

As we all know, Vladimir Shumeyko held negotiations in Kaliningrad with Latvian legislative speaker Ceslovas Jursenas. Moreover, the latter took part in the ceremony marking the opening of a 270-apartment house built in Kaliningrad for Baltic Fleet servicemen by the Selma private association. Many reporters persistently refer to Selma as a Lithuanian company. However, despite the fact that most of its workers come from Kaunas in Lithuania, the company is registered in the Seychelles.

We hope that contacts between the legislatures of the two states will help resolve all existing problems, including issues connected with safeguarding the functioning of military contingents within the oblast, for instance, the Kaliningrad contingent of Border Troops. Incidentally, Shumeyko pointed out that he also discussed at the meeting with Jursenas the issue of transit, including military transit. In this respect, the meeting became a continuation of the recent conference in Ozersk, where representatives of Russian and Lithuanian border agencies discussed the problem of military transit from Russia via Lithuania.

By mentioning Shumeyko's visit to the construction site at which Selma continues to build houses, I would like to again emphasize that during every visit to our region, the speaker of the upper chamber of our parliament finds it necessary to deal with servicemen's problems. Speaking live on local television he, in particular, admitted the fact that virtually no funds are being earmarked to build houses for retired servicemen. Meanwhile, Kaliningrad Oblast is among the leaders with regard to the number of homeless officers.

There was a question at the news conference regarding the fact that the foreign press, time and again, publishes invented data on the numerical strength of the Russian military contingent in Kaliningrad Oblast. It turned out that this issue had been raised at the recent meeting of the Federation Council chairman with Polish President Walesa. What, in particular, had been discussed?

Vladimir Shumeyko pointed out: "During my talks with the Polish president, I presented him with data on the numerical strength of the troops deployed here, their approximate structure, and our plans regarding their maintenance. The Polish president's answer was more or less along the following lines: 'Had I known about these things I would not have made those statements.' I want to remind you that Walesa had said that Kaliningrad oblast will soon make a hole in the ground, given that it is so overcrowded with troops.

"It turned out that Walesa was simply misinformed about the actual state of affairs regarding the Russian military presence in Kaliningrad Oblast. The Polish president then said that he would change his position."

As we all know, however, not only in Poland, but in the Baltics as well, concern has been voiced over the allegedly excessive militarization of the western-most oblast of Russia. Aware of this fact, the Federation Council chairman proposed that official stances of various governments be separated from statements of individual politicians. He cited the example of Liberal-Democratic Party leader Vladimir Zhirinovskiy, saying that the latter's desire to reach the Indian Ocean does not amount to Russia's official policy.

Shumeyko was also asked a question about the notorious law "On the Status of Servicemen." In particular, he was asked to comment on rumors about the legislature's intentions to either suspend the law or amend it, given that there is neither a mechanism for its implementation nor funds in the national treasury.

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The speaker's answer to this question was quite detailed. First of all, he paid attention to the realities that came to exist following the adoption of the new Constitution. On the one hand, draft laws are submitted for discussion by the State Duma, regardless of who initiates them—the president, the Federation Council, the government, or an individual deputy. On the other hand, there are issues which, in accordance with the basic law, fall solely under the jurisdiction of the Federation Council. These include the use of troops on foreign territory or the introduction of a state of emergency or martial law.

In connection with this, Shumeyko has put forward a proposal to authorize the upper chamber of parliament, in addition to the lower chamber, to discuss and pass laws. Thus far.... Both in the State Duma and Federation Council, there are committees with identical names—"for defense and state security." Committees exist, however, a promising law, which was once regarded by servicemen as a gift from fate, does not work. This fact is substantiated by the sad situation in the construction of housing for servicemen. The situation is particularly dramatic in Kaliningrad Oblast.

Moldova-Dniester Peace Talks 'Progressing Listlessly'

LD2507083694 Moscow ITAR-TASS in English 0641 GMT 25 Jul 94

[ITAR-TASS string correspondent Natoliy Kholodyuk]

[Text] Tiraspol July 25 TASS—Talks aimed at finding a peaceful solution to the conflict between Moldavia and the Dniester region leaderships are progressing listlessly, without showing any signs of dynamism. This fact became evident from a statement issued today by the Joint Control Commission (JCC), which comprises CSCE (Conference on Security and Stability in Europe) [Expansion as received] representatives.

The document contains a call on Kishinev [Chisinau] and Tiraspol to "decisively find ways to search for a compromise", and expresses confidence that cooperation between the CSCE and the JCC will make it more effective for the international peacekeeping force to participate in finding a solution to the conflict in the Dniester region."

It should be recalled that the strength of the unified peacekeeping force, which is composed of Russian and Moldavian military personnel, is as of today three and a half thousand. The peacekeeping force has confiscated about 700 illegally kept firearms, over 1000 grenades and more than 100 thousand pieces of ammunition over the past two years. The sapper detachments have rendered harmless aout 12 thousand mines and explosove devices. The JCC operational-investigation group has done vast work to trace people listed as missing during the armed conflict of 1992, including exhumation of 101 dead bodies, 24 of which were identified by their respective relatives.

Oblast Takes Powers To Monitor Foreign Visitors

MM2507104794 Moscow ROSSIYSKIYE VESTI in Russian 21 Jul 94 p 2

[Report by correspondent Vladimir Igolkin under the "Omsk Kaleidoscope" rubric: "Fifteen Days for Foreign Intelligence Officer"]

[Text] Omsk—Many enterprises and organizations in Omsk have already established business links with foreign partners. Sometimes the latter come here to help build things, sometimes they are here on a tour, sometimes they are here for talks. And sometimes they even try to come as visitors for intelligence purposes—which is what a high-ranking staffer of the military attache's office of a Western embassy tried to do recently.

In order to regulate this process a new function has been vested in the oblast administration's Committee for Foreign Economic Links. It will deal with the clearance of official invitations sent to foreign partners for business negotiations. The duration of a foreign delegation's stay in the oblast has been limited to 15 days.

Minister Calls on Ossetia, Ingushetia To Compromise

LD2407135994 Moscow ITAR-TASS in English 1331 GMT 24 Jul 94

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz July 24 TASS—"The Caucasus should be not a hotbed of conflicts but a region of peace and accord," Russian Minister for Nationalities and Regional Policy Nikolay Yegorov said at a meeting with the leaders of North Ossetia on Sunday.

He called on conflicting Ossetians and Ingushes for a compromise and to meet each other halfway. "it is necessary to make steps towards peace and accord," he stressed.

Yegorov came to the conflict zone on a fact-finding mission before the Russian parliament's upper house starts hearings on Tuesday to examine ways of stabilising the sitation in the region as well as the Russian president's decree on extending there the state of emergency by another two months.

The minister also discussed why the president's decrees on the return of refugees and displaced persons have not been fulfilled.

Representatives of the Ossetian side explained that the republican leadership is ready to fulfill the president's decrees. However, it rejects attempts to speed up the solution of the refugees problem, the more so, to settle it from the position of strength.

They stressed that the problem should be settled in an all-round way, on the basis of documents signed in Kislovodsk, adding that the final say should be said by the conciliation commissions.

The commissions agreed last Friday a list of Ingushes who can now return to their homes in the village of Chermen, North Ossetia.

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International Affairs

Kuchma, Russian Envoy Reach Accord on Yeltsin Visit

LD2207222794 Kiev UNIAR in Ukrainian 2145 GMT 22 Jul 94

[Text] Kiev, 22 Jul—A fundamental accord on a visit to Ukraine by Russia's President Boris Yeltsin has been achieved during a meeting between Leonid Smolyakov, ambassador extraordinary and plenipotentiary of the Russian Federation to Ukraine, and President Leonid Kuchma. After the meeting Mr. Smolyakov was interviewed by a UNIAR correspondent.

"I am very grateful to Leonid Kuchma for receiving me as the first ambassador after his inauguration. Leonid Danylovych showed great interest in an official visit by Boris Yeltsin to Ukraine as soon as possible.

"The talk during our meeting was about the fact that it would be beneficial to conclude an agreement on friendship, partnership, and cooperation between Ukraine and Russia as soon as possible, which would ensure a methodological basis for resolving specific issues which have accumulated in relations between the two states. I consider that the new leadership of Ukraine in the person of the president, the prime minister, and the Supreme Council chairman will create the proper conditions for resolving problems between Russia and Ukraine.

"We also touched on a series of the most acute issues, in particular the problem of the Black Sea Fleet. President Kuchma is ready to resolve these issues. He understands the substance of the problem deeply. He stressed that he sees a possibility of resolving the Black Sea Fleet problems by leasing it to Russia.

"The talk was also about the fate of the Russian Embassy in Kiev. Leonid Kuchma reported the opening of two Russian consulates general in Odessa and Lvov."

To a question from the UNIAR correspondent about the possibility of a change in Russia's policy in its attitude toward Ukraine, Smolyakov replied: "If there are changes in the direction of further integration between Ukraine and Russia, especially in the economic sphere, if issues of collective security are resolved, and if steps are made to meet Russia halfway, then equivalent decisions will be made on our part.

"Let us begin a policy of small steps toward each other. Let us not strain, but connect," the ambassador concluded.

Kuchma Votes, Comments on Russian Integration

LD2407110494 Moscow Russian Television Network in Russian 1000 GMT 24 Jul 94

[Text] Ukraine does not intend to integrate with Russia and does not intend to join the ruble zone. This was stated in Kiev by Leonid Kuchma, the Republic's president, after he voted in the Ukrainian parliamentary by-elections. The by-elections to the Supreme Soviet are being held today and a quarter of the parliamentary seats are involved. Over 900 candidates are standing in the elections.

Says No to Ruble Union, Dual Citizenship

LD2407162994 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 24 Jul 94

[Excerpt] President Kuchma said today in Kiev that Ukraine does not intend to integrate again with Russia or to join the ruble zone. We are building our state and are ready to cooperate with Russia in the interests of the people of the two states.

Kuchma was categorically against the resolution on dual citizenship by the Crimean parliament. He said: There is one state—Ukraine. Kuchma was speaking to journalists after a second round of voting in the Ukraine parliamentary elections. [passage omitted]

Kuchma on Economic Treaty Cooperation With Russia

LD2407115994 Moscow ITAR-TASS World Service in Russian 1053 GMT 24 Jul 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev, 24 July—Ukrainian President Leonid Kuchma would very much like a treaty on economic cooperation with Russia to be signed by Boris Yeltsin in Kiev. That would be "right from all points of view," Kuchma told an ITAR-TASS correspondent today and added that the date of the proposed visit by the leader of Russia to Ukraine had not been set yet.

At the same time, Kuchma stressed that a treaty with Russia would not signify a return to the Soviet type of relations. "Ukraine does not intend to resolve its economic problems at the expense of Russia. We are building our own independent state and do not intend to return to the bosom of the former empire," he said. The head of state noted at the same time that relations between Kiev and Moscow would develop and expand on an equal and good-neighborly basis in the interests of the peoples of both powers.

Kuchma Tells Envoys Kiev To Continue Foreign Policy

LD2307193294 Kiev Radio Ukraine World Service in Ukrainian 1800 GMT 23 Jul 94

[Text] Ukraine's foreign policy will remain anticipated and well-considered, based on those basic documents, which were adopted in recent years. President Kuchma stated this at a meeting with the heads of diplomatic missions and representations of international organizations accredited to Kiev.

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Meanwhile, Kuchma noted certain adjustments will be made to Ukraine's foreign policy course. This is an objective demand of the times. Kuchma stressed that the most evident necessity now is to settle at last settle relations with our largest neighbor: Russia. Kuchma said a broad treaty on friendship and cooperation with Russia should facilitate full normalization of our relations and the removal of the absolutely superfluous subtext of tension, which supposedly exists between Ukraine and Russia.

Kuchma noted that Ukraine will endeavor to give realistic and practical substance, above all economic substance, to all agreements and accords, which it has concluded with the European Community, within the framework of the CIS, in other regional structures, and at a bilateral level. Kuchma assured the heads of diplomatic missions that our state would be conducting a consistent policy in the sphere of arms control.

Says No 'Surprises' Ahead

LD2207174494 Kiev UT-1 Television Network in Ukrainian 1600 GMT 22 Jul 94

[Excerpts] President Leonid Kuchma has met the heads of diplomatic missions accredited in Kiev. [passage omitted]

I advise you not to expect anything unusual or any surprises in foreign policy, Ukraine's president stressed during a meeting with foreign diplomats today. Ukraine's foreign policy remains balanced and well considered. Leonid Kuchma thanked them for the numerous congratulations in connection with his election as president of Ukraine, which he has received from various countries of the world, and asked the heads of missions to pass on to the heads of their states his hopes for the development of friendship and cooperation. According to Kuchma, he intends to continue the tradition of regular meetings with the diplomatic corps, initiated by the first president of Ukraine.

Ukraine's Foreign Minister Anatoliy Zlenko and executives from the Foreign Ministry took part in today's meeting.

The current state of and prospects for Ukrainian-Russian relations was the subject of a conversation between Leonid Kuchma and Leonid Smolyakov, ambassador extraordinary and plenipotentiary of the Russian Federation to Ukraine. The meeting took place at the presidential residence today.

Ministry Denies Antimissile Systems Supplied to Croatia

LD2207203394 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 22 Jul 94

[Text] The Ukrainian Defense Ministry press service has denied the story in the Serbian weekly NOVYNY which claims that Croatia bought 20 sophisticated S-300 antimissile systems from Ukraine.

This information does not correspond to reality, the statement says, and could lead to a distorted interpretation of Ukraine's stand on the peaceful settlement of the Yugoslavia crisis. Such reports, the statement emphasizes, discredit the lofty mission of Ukrainian servicemen within the composition of the UN peacekeeping forces in the former Yugoslavia.

The Defense Ministry press service declares that Ukraine strictly abides by the universally accepted norms of international law and does not violate the moratorium on arms supply to the countries involved in armed conflicts.

Border Control Regime With Russia Tightened

LD2307120594 Kiev Radio Ukraine World Service in Ukrainian 1100 GMT 23 Jul 94

[Text] In compliance with interstate agreements, Ukrainian and Russian border guards are carrying out a joint operation. Having involved customs officers, the militia, and Security Service border guards, they are tightening the border regime in the east of Ukraine. Over the past few days alone more than 60 offenders of the Ukrainian border law have been detained at this section of the border. Contraband to the value of 80 million karbovantsi and over $13,000 have been confiscated.

Oliynyk: Parliament To Ratify Nonproliferation Treaty

LD2207160194 Kiev Radio Ukraine World Service in Ukrainian 1500 GMT 22 Jul 94

[Text] Ideally, Ukraine does not need nuclear weapons. However, taking into account the fact that we live among the states which possess these weapons, such as Great Britain, France, Russia, and the U.S., it would probably be worth maintaining a stage-by-stage disarmament, as other states do. Borys Oliynyk, chairman of the parliamentary commission for foreign affairs and relations with CIS, made this statement in an interview.

In his opinion, it would be possible today to strive for granting Ukraine a status of a state that possesses nuclear weapons, because the agreements on the reduction and non-proliferation of nuclear weapons were signed back in the 1960 through the 1970's, when Ukraine was part of a single whole. In this case, Ukraine would fall under the disarmament regulations and the money envisaged for this purpose would be allocated to it, as is the case with France and Great Britain. Despite everything, Borys Oliynyk believes that in the very near future the parliament will ratify the nuclear weapons nonproliferation treaty.

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Moroz, Belarusian Ambassador Discuss Bilateral Relations

LD2207194194 Kiev UT-1 Television Network in Ukrainian 1600 GMT 22 Jul 94

[Text] Meetings between Ukraine's Supreme Council chairman and ambassadors from foreign countries are continuing. Problematical issues of bilateral relations are discussed at the meetings.

Today Oleksandr Moroz received Vitaliy Kurashyk, ambassador of the Republic of Belarus to Ukraine.

Twenty eight agreements between the two countries have been signed at government level, but because of the lack of an elaborated mechanism to implement them, most of them are being implemented slowly and not fully. The interlocutors expressed concern in connection with this and came to the shared opinion on the necessity to invigorate their bilateral relations.

Oleksandr Moroz favors concluding a broad political treaty between Ukraine and the Republic of Belarus, and in favor of a dialogue between the two countries' parliaments.

Problems of eliminating the aftermath of the Chernobyl disaster and easing border contacts were discussed from the aspect of future joint practical actions.

Economist Views Former Eastern Bloc Economies

MM2207120494 London FINANCIAL TIMES in English 22 Jul 94 p 15

[Article by Oleh Havrylyshyn, alternate executive director for Ukraine at the International Monetary Fund: "The Great Transition Robbery"]

[Text] Of more than 30 countries in the Soviet-socialist bloc, few have made a good start on stabilisation and transition to the market. Only eight—Poland, the Czech Republic, Hungary, Slovenia, Estonia, Latvia, Lithuania and the surprise-case, Albania—have controlled inflation, stabilised their currencies, liberalised prices and international trade, and privatised the bulk of small retail and service outlets. Most of them are also seeing a turnround from negative to positive economic growth.

So why have the others not done the same? The simple answer is that powerful elites do not want reform. As central command disappeared, the old Soviet "patriarchs"—directors of enterprises and state farms, and local political bosses—gained autonomy. At first, the expected reform measures—privatisation, opening up of markets to foreign competition and diminution of subsidies—threatened their status. Where reform measures were undertaken quickly, those members of the elite who survived were forced to behave roughly like competitive capitalists. Elsewhere, delays in proceeding with reforms gave them time to transform themselves into monopolist-capitalists.

Under the in-between economic arrangements, the state provides subsidies and cheap credits, allegedly to keep the economy going and people on the job. This not only causes inflation. It also provides the directorate with influence and with funds to engage in side operations, such as purchasing titanium, magnesium or petroleum cheaply, obtaining licences from their old colleagues, and then selling the commodities abroad at a tidy profit. This causes materials shortages, corruption, capital flight, an inflow of Mercedes-Benz cars and popular discontent.

The patriarchs partially assuage discontent by ensuring workers have jobs and receive enough to survive. Nevertheless, the discontent finds an outlet, with workers saying: "You pretend to be paying us less even than in Soviet times; and we pretend even less to be working." The result is more absenteeism, less effort and even less production. More worrisome, investment in production capacity is not taking place, since commercial operations are far more profitable.

Having been given the time to recover from the shock of communism's overthrow, the old-new elites now find it in their interest to go neither back to state command, nor forward to competitive markets. From a socialist-patriarchal society, where the elite's promise was "you have entitlements, while we have privileges," the lagging countries have moved to a rentier- patriarchal society, where the elite says "you are still assured of minimal entitlements, while we profit maximally from the new opportunities."

The frequent characterisations of the result as a corrupt society, with a few wealthy robber-barons, express the moral indignation of the people. But beyond moral judgments, a far more important conclusion emerges: the new rentier-patriarchal elites are, in general, opposed to further reform. They are unlikely to look kindly upon measures to break up monopolies, raise rates of interest, curtail easy credits, or liberalise prices and trade, all of which would undermine their privileged position.

Popular opposition to further reform is increased by two contradictory perceptions. Since the elites share a small part of their gains with workers, the latter support them in lobbying for preferential treatment. At the same time, the monopolistic capitalism people observe and abhor is mistaken for the competitive capitalism advocated by reformers. Consequently, popular resentment is directed against market reforms.

Economies do not disintegrate overnight, so this limbo can continue for a long time. Might the elites realise they are killing the goose that lays golden eggs and so support reform? There is a chance, but only for partial reform.

At some point, they will recognise that excessive cheap credit and subsidies cause inflation, which hurts even the new capitalists in the long run, since it eats away at the production potential of the economy. Soon—in some cases already privatisation, even of large-scale enterprises, will also be in the interest of the new capitalists, since they can become large shareholders.

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If competition were allowed to sort out the efficient capitalists from the inept, this would help the economy. But this is a big "if." The elites may see stabilisation and privatisation as in their interest, but are unlikely to consider liberalisation in the same way, since it would threaten their cosy monopolies.

The best-case scenario is one of an economy that is privatised monopolised and highly regulated by government. As in many Latin American and African examples, what is likely is not successful stabilisation, but a series of failed attempts. It is natural to hope for something better. But wherever the opportunity to move forward quickly has been lost, the reality may be that the transition is frozen.

ILO To Aid Economic Reforms

LD2307142194 Kiev Radio Ukraine World Service in Ukrainian 1200 GMT 23 Jul 94

[Text] Guy Standing, director of the International Labor Organization [ILO] bureau in Central and Eastern Europe, held a number of working meetings with the Cabinet of Ministers, the Ministry of Labor, and the Federation of Trade Unions of Ukraine in connection with the possibility of ILO rendering assistance to Ukraine in carrying out economic reforms and social transformations.

By the way, all are linked with this issue and are to be considered at a workshop conference planned to be held in Kiev in September 1994. [sentence as heard] It is envisaged that ILO experts, representatives of the Ukrainian Government, trade unions, and entrepreneurs will take part in it.

Space Agency Official Views Cooperation With NASA

AU2207165394 Kiev HOLOS UKRAYINY in Ukrainian 21 Jul 94 p 1

[Unattributed report: "NASA Will Use a Ukrainian Welding Instrument in Space"]

[Text] The U.S. National Space Agency intends to use the universal welding instrument, developed by Ukrainian scientists, in space in 1997. This was revealed to the INTERFAX-UKRAYINA Agency by the deputy general director of Ukraine's National Space Agency, Valeriy Komarov.

According to him, by the end of the year, the U.S. and Ukrainian space agencies will sign cooperation accords on a program for testing the welding instrument and training U.S. astronauts. This question was discussed in the course of the Ukrainian delegation's visit to NASA (on 7-15 July).

V. Komarov also said that the sides intend to cooperate in the spheres of remote explorations of earth, space communications, space medicine, and space biology. NASA showed interest in the Ukrainian biological satellite program. Within the framework of the program, it is planned to launch a biological satellite.

It is envisaged that the preparation of accords, which serve mutual interests, will be continued in October 1994 during a NASA delegation's visit to Ukraine.

National Affairs

Crimean Tatars Hopeful About Kuchma

944K1818B Simferopol KRYMSKIYE IZVESTIYA in Russian 19 Jul 94 p 1

[Crimean Tatars' message to L.D. Kuchma]

[Text] Esteemed Leonid Danilovych!

On behalf of the Information Working Group of the National Movement of Crimean Tatars (NMCT) we congratulate you on your election as president of Ukraine.

We hope that your election to this responsible high office will end the policy of subtle cynicism and deception in respect to the Crimean Tatar people and all inhabitants of the peninsula and will anathematize the "Crimea without the Crimean Tatar people" strategy that has been pursued for half a century.

We are prepared for close productive cooperation in the restoration of the national integrity, statehood, legal personality, rights, and property of the Crimean Tatar people, which would be the basis for long-term truly friendly, civilized relations between the Ukrainian and Crimean Tatar peoples and would undoubtedly enhance and augment the authority of Ukraine and of yourself, as the highest officer of the state, in the eyes of the world political establishment.

For the study of practical questions of the restoration of the national integrity, rights, and property of the Crimean Tatar people-nation we request that you invite and receive a delegation of the National Movement of Crimean Tatars (NMCT) composed of Vasvi Ennanovich Abduraimov (Republic of Crimea), Yusuf Egatovich Dzhemaledinov (Republic of Crimea), Seydamet Memetov (Ukraine), Gamer Kadyrovich Bayev (Russia), Kemal Mustafayev (Uzbekistan), and Dilyaver Bekirovich Kasayev (Uzbekistan).

[Signed] On behalf of the Information Working Group of the National Movement of Crimean Tatars, A. Khurshutov

Crimean President Pins Hopes on Kuchma

AU2207164494 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 21 Jul 94 pp 1, 2

["Excerpts" from interview with Crimean President Yuriy Meshkov by Lyudmyla Blyshchyk in Kiev on 19 July: "The Crimea Remains Where It Was"]

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[Text] Leaders of the Crimean autonomy also took part in the festive session of Ukraine's Supreme Council on the occasion of swearing in the new Ukrainian president. By force of circumstances, Crimean President Yuriy Meshkov also felt like a celebrity during the ceremony. The attention on the part of the journalistic community to his person was no smaller than to the newly elected head of state. Accompanied by the mass media, Yuriy Meshkov socialized with picketers at the square in front of the Supreme Council and also answered our questions. Here are excerpts from the interview given to Lyudmyla Blyshchyk:

[Blyshchyk] Mr. Meshkov, today, for the first time, save for the meeting with President Leonid Kravchuk that you had immediately after being elected as Crimean president, we saw you in the hall of Ukraine's Supreme Council. Shouldn't this be regarded as a good sign in improving relations between Ukraine and the Crimea? Generally speaking, do you have such expectations?

[Meshkov] Yes, I do. The situation is changing for the better, and therefore there will be less hostility on both sides and more trust, and there is a possibility to arrive at a mutually acceptable result. A normal person with normal human aspirations has come to power. This is in the interests of both Ukraine and all those around it.

[Blyshchyk] At the first news conference after being elected president, Leonid Kuchma stated that the Crimea had voted for Ukraine. How would you comment upon this?

[Meshkov] The Crimea voted for Leonid Danylovych Kuchma.

[Blyshchyk] Despite everything, where is the Crimea drifting? Toward Russia? Or does it remain with Ukraine?

[Meshkov] Where can we move the peninsula! The Crimea remains where it was. Mind you that all the problems of mutual relations between Ukraine and Russia lie in the economic dimension. In our position, there is no nationalism, either Ukrainian or Russian. We strive to create a normal economy. This striving is oriented in the direction where the economy is more encouraging. If the economic situation in Ukraine changes, the direction of our striving will also change.

[Blyshchyk] Then how can you explain the fact that the Crimean Supreme Council has formed a delegation, which is, allegedly, going to start negotiations with the Russian State Duma on 20 July?

[Meshkov] This is the Supreme Council's business. However, I will say that our economic agreement with Russia is in effect. Such a large-scale cooperation agreement between Ukraine and Russia is still being prepared. Therefore, we are ahead, as we cannot lag behind. The sense of responsibility for the economic well-being of the citizens of the peninsula obliges us to do so. We also have agreements with economic regions of the Russian Federation, and they are beginning to work.

[Blyshchyk] How do you assess the general sociopolitical situation on the peninsula?

[Meshkov] As extremely complicated and difficult, but also such that may improve in the near future. We have now created possibilities for the influx of capital to the Crimea, and this process is already under way. From Ukraine, from Russia, and from near and distant foreign countries, the interest in us is great. Moreover, I am afraid that it may not be possible to use all of these investments on the peninsula. We may share them with others.

[Blyshchyk] Into what branches will these investments go?

[Meshkov] Into the health resort business, health protection, creation of new jobs for young people and servicemen dismissed into the reserve. In short, into all branches.

[Blyshchyk] Yuriy Aleksandrovich, chairman of the Supreme Council Oleksandr Moroz said in one interview that, if the Crimean parliament violates the Constitution, he does not rule out a possibility of disbanding the Crimean Supreme Council. What will you say on this?

[Meshkov] These are problems for the supreme councils. I think that they will resolve them on their own. You know that the delegations of the Ukrainian and Crimean Supreme Councils are holding negotiations. It is their sphere.

[Blyshchyk] Judging by reports, your relations with the Crimean parliament have somewhat deteriorated. How do you explain this?

[Meshkov] The Crimea has a young parliament and a young president. We are trying to see how far our influence may reach and are searching for methods for interaction. First and foremost, we are associates. However, this friction can be explained: Every power structure determines its place and tries to expand the sphere of its activity. The thing is that we have come to power in an abnormal economic situation; the external political situation was also abnormal. All of this required certain tough measures and did not fit the framework of theoretical substantiations for the principle of the division of powers. This resulted in a certain tension in our relations. However, this does not in any way mean that we are in a confrontation.

[Blyshchyk] Please tell me whether you will meet with President Leonid Kuchma today and how you assess his inauguration speech?

[Meshkov] This is not envisaged by the official protocol. However, I believe that we will talk. How do I assess his speech? It offers a realistic and sober view of the situation, outlines the main ways for overcoming the crisis, and, which is the main thing, proclaims a qualitatively

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new approach toward mutual relations with Russia. I think that our mutual relations will normalize very soon, because the situation is ceasing to be tense.

[Blyshchyk] Please tell us whether the change in Ukraine's power structures will somehow influence the resolution of the Black Sea Fleet problem. Supreme Council Chairman Oleksandr Moroz spoke in favor of an indivisible fleet, whereas the present president favors leasing Sevastopol to Russia....

[Meshkov] I hope that the new president will select a more constructive delegation for negotiations on the fate of the Black Sea Fleet and that it will not include people threatening to use force. Kuchma's idea is a matter of necessity. However, if something changes in the economy, the fleet problem will also be easier to resolve.

Meshkov Views Kuchma Relations, Reforms

WS2207123494 Kiev KIYEVSKIYE VEDOMOSTI in Russian 20 Jul 94 p 3

[Interview with Crimean President Yuriy Meshkov by Yuliya Mostovaya; place and date not given: "Crimean President Yuriy Meshkov: 'With Whom Is It Easier To Work—Leonid Kravchuk or Leonid Kuchma?—That Is a Rhetorical Question!'"]

[Text] At the time Leonid Kravchuk was passing on the baton of power to Leonid Kuchma at Mariyinskyy Palace in Kiev, Crimean President Yuriy Meshkov stood among groups of protesters in the square outside. He had a tough time, because one group of picketers shouted to him that "all woes are to be attributed to the communists who threw away their Party membership cards and broke ties with the CIS countries," while the others shouted that to feed the people it is necessary to hang big granary padlocks on Ukraine's borders. Yuriy Meshkov repeatedly showed his bewilderment over the protesters' demands. Interrupting his mingling with the people, I asked him a question: "What do you expect of Ukraine's new president?"

[Meshkov] The election of Leonid Kuchma as Ukrainian president has in itself improved relations between Ukraine and the Crimea. Power has been assumed by a normal man with normal human aspirations, without any national contusions. This meets the interests of both Ukraine and its environs.

[Mostovaya] What will be the state of relations between Simferopol and Kiev?

[Meshkov] I think that there will be less cruelty on both sides.

[Mostovaya] What do you see as the key for resolving the knot of Ukrainian-Crimean contradictions?

[Meshkov] First of all—in the economy: If we put economic problems on our agenda and begin to resolve them, there will be no other problems between us.

[Mostovaya] How are your relations with Kuchma?

[Meshkov] Normal. I have hopes for fruitful work.

[Mostovaya] Have you had any telephone conversations with Kuchma since his election?

[Meshkov] I can discuss matters concerning me personally, while preferring to abstain for the time being from discussing our relations.

[Mostovaya] Do you think it will be easier for you to work with Kuchma than Kravchuk?

[Meshkov] Oh! That is a rhetorical question!

[Mostovaya] How will the question of the Crimean militia be resolved?

[Meshkov] According to the Constitution, this is the prerogative of the Crimean Government. The question will be resolved univocally.

[Mostovaya] Oleksandr Moroz said in an interview with KIYEVSKIYE VEDOMOSTI that in the event of a violation of the Constitution by Crimea's parliament, he does not rule out the possibility of dissolving Crimea's Supreme Council. What do you think about this?

[Meshkov] These are the problems of both Supreme Councils, and I think they will be resolved by these bodies.

[Mostovaya] What is the degree of capital investment in the Crimea?

[Meshkov] In the near future, we will apparently be sharing these investment funds with everybody, owing to the great interest in the Crimea. Most likely, we will not be able to use all of proposed investments inside the Crimea.

[Mostovaya] Can you cite some examples?

[Meshkov] For the time being, no.

[Mostovaya] With whom do you intend to share [the capital investments]?

[Meshkov] Well, with our closest economic partners.

[Mostovaya] Leonid Kuchma assessed the election results in the following way—the Crimea is with Ukraine. Do you agree with this?

[Meshkov] Well, there is no place to move the peninsula. The Crimea will remain where it lies regardless of any elections on its territory.

[Mostovaya] Do you think that the implementation of economic reforms in Ukraine is possible?

[Meshkov] I hope so. Given the current array of forces in Ukraine's Supreme Council, however, the probability is very small. This is why we urge and ask: Give us the possibility to resolve our economic problems on our own. The forces of inertia are stronger in Ukraine than in

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the Crimea. We are capable of reconstructing our economy very quickly. We are more mobile.

[Mostovaya] Have relations between the Crimean Cabinet of Ministers and Ukraine's new government already been established?

[Meshkov] They will surely be established, but, unfortunately, this government has no prospective program coinciding with our aspirations. Ukrainian industrialists and producers, who demand to extend the application of our resolutions and edicts to all of Ukraine, testify to the fact that there is a serious gap in the pace of reform. If this gap widens, it will be more difficult to work for us. It will be a pity if this gap widens. It will be more difficult for us to work because the [joint] economic area requires equal partners.

[Mostovaya] What is your opinion of Oleksandr Moroz's proposal to leave the Black Sea Fleet under a joint command?

[Meshkov] This is an abnormal resolution to an abnormal problem. All this traces its origins to poor living. We cannot wait to see whether or not Ukraine will launch its reforms. Ukraine is only intending to sign a treaty with Russia, while we already have one. We also have one with specific regions of Russia. Political resolutions first, then—economic ones. We have already reached a stage of economic interaction with everybody. We cannot be dragging behind, we are responsible for the well-being of our people.

Kuchma Speech Viewed, Comments on Crimea

944K1842A Simferopol KRYMSKIYE IZVESTIYA in Russian 21 Jul 94 p 1

[N. Gavrileva report: "Ukraine Has a New President"]

[Text] Kiev was not expecting Kuchma. Kuchma won these elections, won them handsomely and quite convincingly, what is more. Kiev pursed its lips and withdrew into itself: What would this new chief be bringing to a world that has already taken shape and is comprehensible? The somewhat bourgeoisified capital got along quite easily and pleasantly with Kravchuk. As happens at critical moments, it was very swiftly ascertained that your correspondent's pertinent papers were not properly in order and that the prospect of watching the ceremonial gathering of the corps of deputies of Ukraine devoted to the inauguration (assumption of office) of the newly elected president on television behind closed doors beckoned for her. But the magic word "Crimea" opened the doors of the press box for us, and I can, therefore, tell my fellow countrymen what I myself saw and heard.

Ivan Yemets, chairman of the Central Election Commission, emphasized in his report that the number of votes cast for the candidacy of Leonid Danilovych exceeded those that had been cast against. The commission decreed that Kuchma be deemed elected president of Ukraine. Placing his hand on the ancient folio—the Peresopnitsa Gospel—L. Kuchma uttered the words of the oath. He was excited, of course, but his voice did not let him down—he had gone for this office perfectly consciously, understanding what he was taking on.

That was it, from this moment the clock of the second president in Ukraine began to tick. It cannot be said that the hall greeted Leonid Danilovych with very tumultuous applause. But it was considerably warmer than that heard several days earlier, following the announcement of his election. We realize that L. Kuchma has assumed office in a country that is divided in two, practically. Yesterday the West was the winner, today, the East. An interesting vignette: Important guests were gathering in the evening for the traditional inauguration reception at the Mariinskiy Palace. A minute before the time permitted by etiquette, there appeared in the now-empty square a solitary figure—it was V. Chernovil. He was walking slowly and, as it were, reluctantly, but he brightened up when the security did not insist on seeing his papers, knowing him well by sight, evidently.

Kuchma has inherited a country not only divided in two by political and national predilections, but also a country standing on the brink of economic catastrophe. The consolidation of all forces is so necessary that only a madman that hates his people could maintain otherwise. I do not know whether Leonid Danilovych was expecting to hear these words from the mouth of A. Moroz, chairman of the Supreme Council, but they were heard: "Power has today been transferred from one president to another democratically. It is good that both the president and the Supreme Council have come to power simultaneously, on the basis of the identical mood of the electorate. The main problem today is the stabilization of the economy. People expect you to be able to lead the country out of the crisis and to bring order to bear. I believe that you have sufficient political will and patience for this. The president will on this matter have the full support of the Supreme Council of Ukraine. Its new composition has shown a will to decisive, constructive actions, to a change for the better."

At the same time the chairman emphasized that he was "confident of the possibility of a strengthening of Ukraine as a sovereign state, of which the president is the guarantor."

I do not know if the top leaders saw the texts of one another's speeches in advance, but the new president's inauguration speech sounded like a response, as it were, to A. Moroz's wish: "Ukrainian statehood cannot be for us an end in itself. The state is for the people, not the people for the state. It is this proposition that should be our conviction. A state that cannot defend its citizens against economic and other misfortunes is worthless. The Ukrainian state is not an icon to which we need to pray, it is an extraordinarily important institution that must operate efficiently in people's interests and serve

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them. I am sure that all constitutional development should be subordinated to the tasks of economic and spiritual revival."

So, you ask, our president does not intend to build a "unified and independent"? He does. First, he confirmed this in the text of the oath: "to defend the sovereignty of Ukraine," second, in the very first words of his speech: "The people displayed at the elections their wish to live in their own state...." But let us take a look at the end of this sentence: "...but they want it to be prosperous, democratic, and integral." This does not, you will agree, resemble in the least the previous proposition: independence above all!

Leonid Danilovych paid a great deal of attention in his speech to the economy. "Reform is the sole way of surmounting the economic crisis. It has long been ripe, and its directions have been identified. One thing has been lacking—the political will to implement it. We are today prepared to display this will. Running in place means death for the Ukrainian economy, the Ukrainian state." This is what the new president sees as the threat to the nation's statehood! Not, apparently, the "repulsive Mosskies" that "have eaten the Ukrainian salt pork" but indecisiveness, fear of economic reforms, the backwardness of production relationships....

I shall not recount the "economic section" of the president's speech—it practically confirms his election promises. I will say only that he intends implementing reforms "rapidly, but circumspectly." The state does not have time for experiments, and people have neither the forces nor the patience for them. I have said and I repeat: Not revolution but the plan-oriented, decisive, and consistent renewal of the economic and sociopolitical system of Ukraine—this is our goal. The main methods of achieving it are realism and common sense.

It is a pity that it takes a long time to put together a newspaper: to write it, print it, deliver it. It is a pity because I would have very much liked to have been the first to tell Crimeans that L. Kuchma declared that "Ukraine is a multinational state. Any attempts to ignore this fact threaten a deep split in society and the collapse of the idea of Ukrainian statehood. Ukraine is the motherland for all citizens, regardless of their nationality and religious belief and what they consider to be their native language. I intend proposing a revision of current legislation for the purpose of imparting official status to Russian while retaining the status of state language for Ukrainian." Even many dispassionate journalists could not restrain themselves here—the applause was tumultuous.

Recognizing how hard it will be for Leonid Danilovych to break up in the future the hardened, chronic system, he should be given his due: His first step was a courageous one. He did not disavow what he had promised in the campaign, and he had, most likely, received several envoys in this time, received several tempting offers....

But what is reassuring is that he is not, for all that, alone. Even Vittorio Surdo, doyen (senior member) of the diplomatic corps and ambassador extraordinary and plenipotentiary of Italy in Ukraine, confirmed that the West will help us if the reforms are successful. He also, incidentally, spoke the following words, very interesting for Crimeans: "There have been certain domestic policy issues in Ukraine that have had an external implication. We hope that you will be able to settle them by way of negotiations, and the international community is prepared to offer its assistance, if necessary."

How does Kravchuk feel? It is, understandably, hard to read the thoughts in another's head, but at the evening reception, to which, incidentally, just one sole correspondent—from KRYMSKIYE IZVESTIYA—was admitted, as an exception, Leonid Makarovych was happy for his rival, emphasizing that so tranquil and smooth a handover of power was possible in Ukraine today.

My account would be incomplete were I not to convey to Crimeans verbatim what L. Kuchma said specially for them:

"I hope for all Crimeans that all the beaches, health centers, guest houses, and children's camps will be filled to overflowing. What needs to be done for this is known. And I am ready."

"Leonid Danilovych, it is persistently rumored in Crimea that you are already departing from your election platform...."

"On the contrary, I spoke today in my 'speech from the throne' about both bilingualism and reforms. No, I have not the least intention of retracting—whoever knows me would not believe for a moment that I would retreat."

"Could you say anything about citizenship—Crimeans are awaiting this...."

"I said at that time and I say now that I am honestly not yet prepared to answer this. This is an issue involving not only Ukraine and not only Russia."

"And will there be a negotiating process on the issue of treaty relations between Ukraine and Crimea?"

"I am prepared to sit down at the negotiating table, I confirm this."

...It remains for me to add merely that the Crimean delegation present at the ceremonial activity was composed of Yuriy Meshkov, president of Crimea, Viktor Mezhak, deputy chairman of the Supreme Council of Crimea, Yevgeniy Saburov, vice president of the government, Anatoliy Gritsenko, deputy of the Supreme Council of Crimea, and Viktor Semenov, Aleksandr Safontsev, and Anatoliy Solovyevskiy, chairman of the Sevastopol, Kerch, and Dzhankoye City Council Executive Committees.

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Not To Name Top Reformers as Ministers

LD2407142194 Moscow ITAR-TASS in English 1319 GMT 24 Jul 94

[Report by ITAR-TASS correspondent]

[Text] Kiev 24 July TASS—Ukraine's newly-elected President Leonid Kuchma does not intend for the time being to name prominent reform-minded economists Vladimir Lanovoy and Viktor Pinzenik government ministers, although he pins great hopes upon them.

"At the moment, we should think about the state's interests rather than about individuals," Kuchma told reporters on Sunday [24 July].

He also said government members and lawmakers were due to meet on Monday in a conference to map out the guidelines for Ukraine to overcome the current crisis. Lanovoy and Pinzenik are also invited to participate.

Lanovoy held the post of economics minister in the Kuchma [as received] government and is widely known as "Ukrainian Gaydar". Pinzenik was Ukraine's deputy prime minister.

Right-Wing Unification Attempt Seen as Belated Move

MK2307124294 Moscow SEGODNYA in Russian, 23 Jul 94, p 5

[Report by Konstantin Parishkura from Kiev under the "Ukraine" rubric: "The 'Right-Wing' Unites. But This Will Hardly Affect Sunday's Run-Off Parliamentary Elections"]

[Text] Following a lengthy debate on unification, the Ukrainian Republican Party [URP] and the Democratic Party of Ukraine [DPU] have started forming a right-of-center bloc as a counterweight to the left-wing majority in parliament. For starters, a joint ruling body will be set up to include all leaders of both parties. A unification congress, the preparation for which is already under way, has been scheduled for September. It is not yet clear who will head the unified party (its name has yet to be approved). The DPU under writer Vladimir Yavorivskiy, deputy of Ukraine's former and current Supreme Councils, is predominantly a party of the creative intelligentsia, most of whom were CPSU members, but quit the Communist Party long before the State of Emergency Committee. The URP, whose founders included the Ukrainian Helsinki Union, a dissident party, was set up back in 1967. The URP is headed by Mikhail Goryn, a former deputy, who lost in the current parliamentary elections to his more radically minded opponent, Stepan Khmara. Some time ago, the URP's radical wing split from the party and set up the Ukrainian Conservative Republican Party. Even earlier, from 1989, they were all members of a single public organization opposed to the Communist Party of Ukraine—the People's Rukh. A split of the once solid Rukh was provoked by the sheerly personal ambitions of its leaders, and although talk about unification against the "left-wing" has long been under way among national democrats, it has produced nothing but declarations of intent. The election defeat finally prodded them to action. A total of 26 parties and public organizations, including moderate right-wing democrats, centrists, and nationalists, adopted at their recent conference a long-term program calling for gradual unification. So, this is the first step. However, some observers think it was taken too late, because run-off elections for the Ukrainian Supreme Council in 112 electoral districts will take place as early as tomorrow, and their outcome is effectively a foregone conclusion: Judging by the balance between registered candidates, the "left-wing" is bound to win.

Kuchma Issues Decree Against Organized Crime

LD2207173394 Moscow INTERFAX in English 1509 GMT 22 Jul 94

[From the "Presidential Bulletin" feature No. 140 (630): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] The Ukrainian President Leonid Kuchma has issued his first decree—on the struggle against organized crime. It says that the crime situation in Ukraine is extremely complicated.

The president ordered the Interior Ministry, the security service and the national guard to "take every step to root out gangsterism and corruption and focus on rendering harmless the armed members of regional and international crime groups."

For that special forces of the Interior Ministry, security service, national guard and technical means and personnel of the Ukrainian armed forces must be employed.

The government of the Crimea and executive bodies of local self-government have been recommended to establish special control of those territories where acts of gangsterism have been committed and law-enforcement bodies, to provide personnel for special operations against racket, hostage-taking and other particularly grave offences.

The decree also says it is necessary to decide on the further presence in Ukraine of citizens of other countries who are there in violation of the established rules. Before parliament produces a special law, the Interior Ministry and the security service have been allowed to detain—in exceptional cases—for up to 30 days persons suspected for a good reason of committing acts of terror and gangsterism.

Such persons can protest such sanctions under the established rules.

The presidential decree empowers law enforcement bodies, provided there are legal reasons, to have access to

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all documents necessary to investigating crimes concerning enterprises and organizations irrespective of types of ownership.

The decree says that 50 percent of the confiscated valuables, including hard currency, will be used to improve the material and technical base of the Interior Ministry, the security service and the armed forces and to pay bonuses to the law enforcement personnel.

The Ukrainian Prosecutor General's office has been recommended to establish strict control of implementing the law.

Experts point to the similarity of this document with the decree to step up the struggle against organized crime President Yeltsin signed in June. Both acts considerably expand the powers of law-enforcement agencies. Some observers believe that the similarity of the Russian and Ukrainian presidential decrees in both spirit and letter implies more intensive cooperation by agencies responsible for enforcing the decree. Experts believe that the appointment of Ukraine's new interior minister, Vladimir Radchenko, will be another factor for cooperation by the law-enforcement agencies of the two countries.

IF Note: President Kuchma made that decision together with the decree to fight against organized crime. The previous Interior Minister, Andrey Vasilishin, has been dismissed.

Radchenko, b. 1948, worked for Ukrainian state security bodies in the Kiev, Rovno and Ternopol regions. From September 1993 he was deputy chairman of the Ukrainian Security Service—chief of the anticorruption and organized crime department.

Kuchma Assumes Role of Armed Forces' Supreme Commander

LD2207205794 Moscow ITAR-TASS World Service in Russian 1445 GMT 22 Jul 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev, 22 Jul—Ukrainian President Leonid Kuchma today assumed the responsibilities of supreme commander in chief of the country's armed forces. Slightly over 500,000 men are subordinate to him. This is the numerical strength of the Ukrainian Army, which is divided into three arms: ground, air and naval forces. They will be cut by 50,000 by the end of this year. In the longer term, structure and strategy will be reformed with the aim of producing a modern, highly mobile and professional Army.

Ukraine has enunciated a military doctrine which is of a defensive nature, in that no one specific state is a potential enemy. The Ministry of Defense has concluded bilateral cooperation treaties with the military authorities of more than 20 countries.

Ukraine is known to favor reduction and destruction of the nuclear weapons based on its soil, and has unilaterally commenced implementation of this. In addition, under international agreements conventional weapons will also undergo cutbacks to defined levels by the end of 1995. For Ukraine, these levels are 4,080 tanks, 5,050 armoured vehicles, 4,040 artillery systems of calibre over 100mm, 1,090 combat aircraft and 330 strike helicopters.

Ukraine's armed forces are actively involved in UN peace-keeping operations. The soldiers of the Ukrainian UN peacekeeping batallion have won praise from the international community, and in the near future its strength will be raised to 1,200 men.

Kuchma on Efforts To Resolve Economic Crisis

LD2207213094 Kiev UT-1 Television Network in Ukrainian 1800 GMT 22 Jul 94

[Excerpts] Ukrainian President Leonid Kuchma arrived in Dnepropetrovsk on a working visit today. [passage omitted]

[Correspondent] Conversing with combine operators at the Rassvet collective farm, Leonid Danylovych Kuchma took an interest in the technical equipment, conditions of work, wages, how the sale of breadgrain to the state was going, and economic stimuli. He observed that he does not even admit the thought that Ukraine will be buying breadgrain from elsewhere, although the situation with breadgrain is a difficult one. To the question of which priority in the economy he attaches most importance to, agriculture or industry, the president said that one cannot manage without the other, and stressed:

[Begin Kuchma recording, in Russian] There should be work—there should be work here in rural areas, and one should really receive what one has given for one's labor, as they say, but the most important thing is that enterprises work. I will be at the Southern Machine-Building Plant this evening; what am I to say to people about why the tractor conveyor belt is idle, the reason why it is idle—because the motors are made mainly in Russia, and Ukraine has nothing to pay with. Here everything was done so artificially, because Russia needs those same tractors so much. Above all I consider that the the fate of people depends on the political will of managers, presidents, and governments.[end recording]

[Correspondent] [passage omitted] President Kuchma said that Ukraine was and will be a space state. He went on to dwell on the difficulties of the economic crisis in Ukraine and ways of overcoming it.

[Begin Kuchma recording, in Russian] Production is declining disastrously. Industrial and agricultural enterprises are coming to a standstill. The results of such management are depressing. For the first time in the last five years the failed sowing campaign threatens Ukraine with a bad harvest. Populist actions of recent times have

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prepared a mighty inflationary and price breakdown. The increase in organized crime and the outburst of corruption have led to the discrediting of authority in the eyes of the people.

No one should doubt that everything possible will be done to change the economic situation for the better in the shortest possible time. You must, however, clearly realize the bounds of what is possible. Those bounds are determined by a budgetary deficit, the size of which exceeds the income part of it, by nonpayments exceeding the annual national product, and huge debts for energy carriers.

I will tell the truth. A difficult autumn awaits us, and a no less difficult winter. We will all have to tighten our belts. If we do not hold out, if we do not survive this most difficult period, if the country explodes, there will be nothing more. We should hold out all together. As president I see one of my main tasks as making sure the suffering of the people and the deep economic crisis do not again become a profitable business for some.

I state: There have been enough declarations about building statehood. It is time to work and live in this state, and to live as human beings. [Applause] Well, in the election campaign, in the inauguration speech, and now, I repeat before you: I did not promise and am not promising the immediate end of all of our ills and immediate economic prosperity. Only an adventurer could promise this today. I do promise you that bringing order to the country will begin, and it has already begun, and that respect for the working man will be restored here, that everything possible will be done to avert an economic disaster.

The campaign against crime and corruption will be conducted decisively and inescapably, including in the higher echelons of power. [applause] The implementation of this requires at least three components: political will on the part of the country's leadership, professionalism and decency on the part of the people implementing the reforms, and—the main thing—the understanding and support of the people. I want to ask you too, the closest and dearest people to me, with whom I am linked by the strongest bonds of fellowship and mutual understanding, for this very understanding and support. [end recording]

Notes 'Deplorable State' of Economy

LD2307162094 Moscow INTERFAX in English 1528 GMT 23 Jul 94

[Text] It's time to pass from the declarations concerning the building of statehood to genuine work in this country, said President-elect, Leonid Kuchma, in Dniepropetrovsk, in the framework of his first working tour of Ukraine.

According to him, the new authorities have already begun to put things in order, and they will do their best to prevent an economic catastrophe.

He firmly intends to combat crime and corruption, in the highest echelons of power also, Kuchma pointed out. Three components are needed to reach this goal: political will on the part of the country's leadership, professionalism and honesty on the part of officials responsible for reforms, and understanding and support from the people, he noted.

Ukraine's economy is in a deplorable state, Kuchma said. This year Ukraine will have a poor grain crop, for the first time in the past five years, he added. The populist actions of the past few months laid the groundwork for a powerful rise in inflation and prices, the president-elect stressed.

According to Kuchma, a hard autumn and an equally hard winter lie in store for the country, and everyone will have to tighten their belts. If the nation does not manage to pull through this difficult period, it will have no future, he declared.

His main task, Leonid Kuchma said, is to prevent the deep economic crisis and people's suffering from turning into a profitable business for some individuals. However he does not promise an immediate end to all misfortunes or prompt economic prosperity, the president pointed out.

Kuchma Comments on Economic, Legislative Issues

LD2407180494 Kiev UT-1 Television Network in Ukrainian 1600 GMT 24 Jul 94

[Interview with Ukraine President Leonid Kuchma by unidentified correspondent; place and date not given—live or recorded]

[Text] Leonid Kuchma voted for the first time today as head of the Ukrainian state after the presidential elections. [Passage indistinct] the president's platform will soon be implemented as state policy. It is therefore understandable that journalists as well as officials met Kuchma at the polling station.

[Correspondent] It is no great secret that your first decree on measures to intensify the fight against organized crime received wide publicity; however, have you heard any responses?

[Kuchma] When I signed this decree I knew that there would be various views in society. The majority of people—simple people who live by means of their work and hard toil support it but the fat cats do not. So I may not even read the press but know quite well that is how it is. This decree should be implemented so people should really know that in our state laws are of prime importance and that the law is equal for all.

[Correspondent] What is the fate of the fixed exchange rate?

[Kuchma] You know my view, that I am categorically against this fixed exchange rate because it results in our

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exports losing money. Tomorrow I will attend an important meeting on these issues where all the points of view will be discussed. (Volodymyr) Lanovyy, (Viktor) Pynzenyk, [word indistinct] and many other economists will take part.

[Correspondent] Journalists were also interested in the president's view on the decision of the Supreme Council of Crimea on Crimean citizenship.

[Kuchma] We have one state: Ukraine.

Drafting of Macroeconomic Stabilization Program Completed

LD2207205194 Moscow INTERFAX in English 1846 GMT 22 Jul 94

[Text] A working group led by Ukrainian Economics Minister Roman Shpek and created on the instruction of former president Leonid Kravchuk completed drafting a program for macro-economic stabilization in Ukraine, Ukrainian Deputy Finance Minister Boris Sobolev told INTERFAX-Ukraine. This program was expected to be coordinated with the IMF in order to receive an STF [expansion unknown] credit.

The authors of the program said they believed that Ukraine would annually require about $2 billion for economic growth and a successful transition to the market economy, including $800 million for serving Ukraine's foreign debt.

During the meeting in Paris on 13 July representatives of the IMF assured the Ukrainian governmental delegation that the fund was ready to give an STF credit to Ukraine if the program for macro-economic stabilization and reforms was coordinated with IMF participation. An IMF mission is ready to come to Kiev before the end of July.

World Bank representatives declared that it could help in financing programs for structural reorganization of the Ukrainian economy.

33 Percent of Able-Bodied Population Unemployed

LD2407113094 Kiev Radio Ukraine World Service in Ukrainian 0800 GMT 24 Jul 94

[Text] The Ministry of Statistics has made data for the first six months of 1994 available on the employment of Ukraine's population. It indicates that there has been an insignificant growth in unemployment since the beginning of the year. It currently stands at 33 percent of the able-bodied population. At the same time, the levels of unemployment differ significantly from region to region. The highest unemployment levels are in Volyn, Ivano-Frankovsk, and Zhitomir Oblasts. The Ministry of Statistics also indicates that, despite a certain stabilization in the labor market, the production sphere had partial employment because a significant number of workers were either forced to go on leave or had their working hours reduced.

115 Deputies Accuse Moroz of Blocking Bill, 'Arbitrariness'

WS2207113994 Kiev HOLOS UKRAYINY in Ukrainian 19 Jul 94 p 2

[Statement by Ukrainian peoples deputies representing the "Reforms" group, presented by Deputy Serhiy Kyrychenko at the Supreme Council session in Kiev on 15 July]

[Text] 1. In accordance with Articles 103 and 114 of the Constitution of Ukraine; Article 11 of the law "On the Status of Ukraine's People's Deputy"; and Points 1 and 16 of the Provisional Regulations, 115 people's deputies of Ukraine, on 14 June 1994, proposed, in line with the procedure envisioned by law, the draft law of Ukraine "on introduction of changes and amendments to Ukraine's legislation on currency regulation." In accordance with Point 17 of the Provisional Regulations, prior to this, the draft had been discussed by the Standing Commission for Issues of Finance and Banking, which had resolved to submit the draft for discussion at the session.

As of 15 July 1994, however, the draft, through the fault and counteraction of Ukrainian Supreme Council Chairman Moroz and Tkachenko, Ukrainian Supreme Council first deputy chairman, was purposefully not included on the agenda of plenary sessions.

2. In light of this, their actions violate:

1) Article 103 of the Constitution of Ukraine, given that for a month they have infringed upon the right of 115 people's deputies to legislative initiative;

2) Article 114 of the Constitution of Ukraine, which determines the modus operandi of the Supreme Soviet in accordance with the Supreme Soviet Regulations and other laws of Ukraine, namely the law "On the Status of the People's Deputy of Ukraine," whose Article 11 stipulates that people's deputies' right to legislative initiative is implemented through a compulsory discussion of documents submitted [for discussion] in line with legislative initiative, and through the adoption of resolutions on these documents;

3) Point 1 of the Acting Regulations, which determines that decisions on the inclusion of issues on the agenda of the Ukrainian Supreme Council's sessions are passed by one-third of the votes of the actual number of elected deputies, that is 112 votes;

4) Point 6 of the Regulations, according to which at the sessions, the chairman shall create equal opportunities for people's deputies to discuss issues, and has no right to comment on deputies' speeches;

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5) Points 16 and 17 of the Regulations, according to which people's deputies' right to legislative initiative is implemented, as a rule, through adoption of submitted laws, following prior discussion of drafts by appropriate Ukrainian Supreme Council commissions.

3. On 12 July 1994, during discussion of the issue "On the approximate list of issues to be discussed at the plenary sessions on 12-15 July 1994," several people's deputies voiced a proposal to compulsorily and urgently discuss the draft law "on introduction of changes and amendments to Ukrainian legislation on currency regulation."

Ukrainian Supreme Council Chairman Moroz, who chaired the session, committed another violation by not putting to a vote the proposal voiced by deputies. Using his own discretion, he commented on deputies' speeches, after which, having no legal right, put to a vote his own proposal—not to discuss the draft on changes in the legislation on currency regulation. A decision was made to postpone the discussion of the issue, which infringes on the rights of millions of people, thousands of exporter enterprises, and harms the financial-monetary situation in Ukraine.

With this act, Ukrainian Supreme Council Chairman Moroz alone stood up against the will of 115 deputies, committed an act of voluntarism and legal arbitrariness, neglecting deputies' right to legislative initiative guaranteed by the Constitution and laws.

These illegal actions by the Supreme Council chairman prove that he has no intention of acting in accordance with the principles of law, democracy, and the building of a law-governed state declared in the "Declaration on National Sovereignty of Ukraine."

4. The situation is dangerous, given that over the three months since the new Supreme Council began work, by fault of senior officials, primarily Ukrainian Supreme Council Chairman Moroz, issues of secondary importance have been discussed aimed at regulating noneconomic relations, while not a single draft has been discussed dealing with the regulation of economic relations and aimed at changing and improving the general state of things in the national economy.

This, in the conviction of the "Reforms" group and many other deputies, is aggravating the economic crisis which is deepening on a daily basis, and, in the near future, can cause grave social cataclysms in Ukraine.

In light of the facts cited above, we again demand that while chairing plenary sessions, Ukrainian Supreme Council Chairman Moroz observe the Constitution of Ukraine, laws of Ukraine and the Acting Regulations, and put to a roll-call vote the issue of urgent discussion at the next session of the draft "on introduction of changes and amendments to Ukrainian legislation on currency regulation."

Otherwise we, the people's deputies of Ukraine, will have the right, in accordance with Point 6 of the law "On the Status of the People's Deputy of Ukraine," to claim that the use by Moroz of his status in defiance of the legal interests of society, citizens, and the state runs counter to deputies' ethics. This will give us grounds to complain about the behavior of this deputy to the Supreme Soviet Commission for Issues of Regulations, Deputies' Ethics, and Safeguarding Deputies' Activities.

5. In accordance with Article 30 of the law "On the Status of the People's Deputy of Ukraine" we are presenting the text of this statement, along with the draft law "on introduction of changes to the Cabinet of Ministers decree on the system of currency regulation and currency control," and an annex to the statement, to be published by the Supreme Council publication HOLOS UKRAYINY and broadcast by national television and radio.

Official Outlines New Border Regulations

WS2207114594 Kiev URYADOVYY KURYER in Ukrainian 16 Jul 94 p 5

[Interview with Colonel General Viktor Bannykh, chief of staff of Ukraine's Border Troops, by unidentified reporter; place and date not given: "To Strengthen Law and Order"]

[Text] The Ukrainian Cabinet of Ministers has adopted the resolution "On Border Zone," the implementation of which will contribute to the protection of security, law, and order along Ukraine's state border.

One of our correspondents has met with Colonel General Viktor Bannykh, first deputy chairman of the State Border Committee and chief of staff of Ukraine's Border Troops, and asked him to respond to several questions.

[Reporter] Viktor Ivanovych, first, let me congratulate you on your elevation to the high rank of colonel general. I wish you good health and new achievements in your service.

[Bannykh] Thank you.

[Reporter] Let us now go on to the topic of our conversation. What prompted the adoption of the government resolution "On Border Zone," and what is the main difference between this resolution and similar documents, which had been passed before?

[Bannykh] I want to note, that this resolution was long awaited on the borders. Its adoption is primarily connected with the improvement of legislation concerning border issues. As everybody knows, the operational situation and service along our borders have recently been complicated. The lack of rayons, authorized by legislation and controlled by the Border and Interior Troops, in which there would be special regulations of entrance, visit, and travel, allows all citizens without

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exception, including foreigners, to approach the state border, and it does not allow us to control the situation.

By virtue of the adopted resolution, the Cabinet of Ministers has not only delineated the border zone, but also defined the rules of the border regime. This document has practically implemented Chapter 3: "Border Regime" of the Ukrainian Law "On Ukraine's State Border," which defines regulations of entrance, visit, and travel of Ukrainian citizens and other individuals.

The main difference between this document and previous ones is that the resolution has only set out the general rules of the border regime, and powers to work out and approve rules for specific regions and parts of the border, including the delineation of specific parts of the zone, have been entrusted to Border Troops regional administrations and oblast state administrations.

[Reporter] Our readers, specially those living in border oblasts, would like to learn about the main provisions of the adopted document.

[Bannykh] The border zone is established along the state border on its land lots and along the banks of border rivers and reservoirs, within the boundaries of village and settlement councils of people's deputies adjacent to the border, but it should be no less than the width of terrain stretching from the state border to the line of border engineering facilities, and no more than 5 km from the state border. At the proposal of several local state administrations and by virtue of a Cabinet of Ministers decree, wider zones can be established on certain lots. Populated areas and recreation places are not included in the border zone.

The general rules of border regime, which are added to the resolution, comprise 14 articles. They envisage rules of entrance and visits by citizens in the border zone and across the line of engineering facilities, measures aimed at preventing the spread of contagious animal diseases to Ukraine, as well as regulations concerning animal husbandry and grazing, flights of all types of aircraft near the border, various projects, fishing, photographing in the border zone, possession of water craft, etc.

Control over the adherence to the border regime is performed by the Border Troops in close cooperation with the Interior Ministry, the Security Service of Ukraine [SBU], and local authorities. The general public is also involved in the protection of required order in the border zone.

I want to emphasize that the border zone is established and exists to protect the security of the state and its citizens, prevent the squandering of natural resources, and ensure more efficient management in border regions.

[Reporter] What powers have been granted to Ukraine's Border Troops in connection with the implementation of this document?

[Bannykh] Our most difficult task will be to ensure adherence to the rules of border regime in populated areas adjacent to the border. This is connected with the fact that according to the Law "On the State Border of Ukraine," populated areas are not included in the border zone, and the border regime is only imposed in the border zone. For example, taking into account that there are 54 populated areas located less than 1 km from the border in Luhansk Oblast, in Zakarpattya Oblast—36, and in Sumy Oblast—29 (22 of them are abutting the border), it will obviously be hard for Border Troop units to control citizens' entrance and visits in the border zone and near the state border. In this regard, while drafting the rules of state regime in oblasts, one must concentrate on resolving this problem and establishing, alongside the militia, such a regime and control which would allow us to discover violators and, particularly, illegal migrants while they are still far away from the border.

The rules of border regime in the border zone on territories of appropriate oblasts and measures aimed at delineating and marking such a zone are to be drafted and approved by 1 October 1994. In this regard, the Ukrainian State Border Committee developed a plan for measures aimed at the implementation of the resolution, which has been approved at a recent meeting of the State Border Committee Collegium. The main goal of these broad measures is to implement the government resolution in full and in time, and to coordinate actions of Border Troops directorates, formations, and units while drafting and implementing the rules of border regime in the border zone.

[Reporter] Viktor Ivanovych, what must be done to make the adopted resolution work in full swing and produce noticeable results in the area of border protection?

[Bannykh] In my opinion, primarily, it is necessary to thoroughly examine and immediately implement the resolution. Based on the general rules of border regime, we along with local state authorities must draft the rules of border regime on the territory of each border oblast and submit them to oblast state administrations for approval.

Work in the field should be targeted at searching and developing ways to involve state bodies, civil organizations, and the general public in performing tasks concerning the implementation and adherence to the border regime, assistance to the Border Troops, and inspiring a feeling of responsibility for order along the state border among local communities.

In this regard, chiefs of Border Troops regional directorates and commanders of formations and units have been holding meetings with leaders of oblast and rayon administrations, Interior Ministry bodies, enterprises, and institutions located in the border zone, as well as with the border rayons population. Currently defined are an agenda and dates for joint work to prepare proposals concerning the size of the border zone, marking it, and

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drafting and approving a timetable for publishing the rules of border regime on territories of oblasts which are adjacent to the state border.

This is only a brief list of primary measures. I will say frankly: The work is expected to be very extensive. Success can be guaranteed by establishing efficient cooperation among the Border Troops, Interior Ministry bodies, SBU, and local authorities, as well as by becoming clearly aware that the introduction of the border zone will improve conditions for production in the border regions and strengthen trust and good-neighborly relations.

'Reforms' Faction Leader Outlines Latest Initiatives

WS2207143994 Kiev HOLOS UKRAYINY in Ukrainian 20 Jul 94 p 2

[Interview with People's Deputy Viktor Pynzenyk by Serhiy Lavrenyuk; place and date not given: "'The Only Idea Capable of Uniting Everybody Is the Idea of Reform'; Viktor Pynzenyk Outlines Activities of 'Reforms' Deputy Group"]

[Text] [Pynzenyk] The "Reforms" deputy group numbers 27 people and unites economists, lawyers, and, to some degree, servicemen. First, it is worth noting that the group was not formed according to political tokens, as it comprises representatives of all regions of Ukraine—the east, center, and west. What is the subject of our work? Although we have drafted several pieces of legislation, we have been able to bring a logical end to none of them, meaning to transform them into laws, even though the required number of deputies' signatures has been collected in support of each proposal. For instance, there are 115 signatures under our draft bill governing hard currency regulations.

[Lavrenyuk] Viktor Mykhaylovych, why did the "Reforms" group have to be established? Do you think that there is no Supreme Council faction to advocate the idea of reforms?

[Pynzenyk] This is one reason. Another is that this is the only idea capable of uniting everybody now, since there will always be disagreements on other issues.

[Lavrenyuk] How does your group operate?

[Pynzenyk] We convene every day at 1200 and 1800. We analyze the situation and make decisions. Yet, we are not always able to get access to the media—we are either "cut" or denied access to live programs.

[Lavrenyuk] Your group has recently "had a headache" over the draft legislation on hard currency regulations. Moreover, as you have stated, 115 people's deputies have supported the idea to debate it.

[Pynzenyk] Yes, we believe that the issue of hard currency regulations must be resolved immediately, since because of the fixed currency exchange rate of the karbovanets, the production sector is on the verge of stopping, budget revenues are inefficient, and, additionally, the highest decrease in production has been observed in export industries. Moreover, the presence of the fixed and market-set hard currency exchange rates inevitably leads to embezzling. First, there is an opportunity to purchase hard currency cheaper and sell it higher. Second, this opens up countless opportunities to evade taxes.

[Lavrenyuk] What other pieces of draft legislation is your group going to submit to the Supreme Council for consideration in the near future?

[Pynzenyk] We have drafted five bills concerning taxes—on the taxation system, the tax on income [podatok na prybutok], the VAT, excise taxes, and the income tax [prybutkovyy podatok]. We would also like to submit for consideration draft legislation on the banking system and issues of exports and imports. I believe that, given the pace of the Supreme Council's work, this will be enough for the next few months.

[Lavrenyuk] How is your group cooperating with other factions, and is there any such cooperation at all?

[Pynzenyk] Yes, we have established close cooperation with the agrarian deputies' group and agreed to draft legislation on the agricultural sector, since one of our most painful miseries is the structure of cooperation with the countryside.

[Lavrenyuk] Viktor Mykhaylovych, will any of the draft legislation put forward by your group become law?

[Pynzenyk] Judging by the resistance with which our first piece of legislation met, one can come to the following conclusion: It will be extremely difficult to get them passed. Nevertheless, we are not losing hope that it will happen.

[Lavrenyuk] Currently discussed has been the issue of postponing privatization to analyze what has already been done and restore order. The fact that there is such talk makes foreign investors, as well as Ukrainian citizens, suspicious. So, what could be the results of such a step?

[Pynzenyk] I believe that this will not happen, since a legal decision to halt or postpone privatization will boost the shadow privatization. Thus, if the Supreme Council votes for such a decision, it will vote for large-scale shadow privatization in this way. All the more so, since state property is already often being used as private. So when one says that there will be pilferage, I would like to point to the following fact: The escape of state capital has already amounted to $2.5 billion per year. Thus, in my opinion, a postponement of privatization will lead to even greater pilferage. Moreover, tomorrow we will have nothing to offer to Ukrainian citizens in exchange for privatization vouchers—everything will be divided in a shadowy way.

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[Lavrenyuk] Thank you for the conversation.

Names of Possible New Defense Minister Cited

LD2207172994 Kiev UNIAN in Ukrainian 1600 GMT 22 Jul 94

[Text] Kiev—According to data provided by sources close to the administration of the president of Ukraine, the issue on the appointment of a new defense minister of Ukraine has not yet been decided. It is not ruled out that Army General Vitaliy Radetskyy will continue to command the Armed Forces. If he resigns nevertheless, his most probable successors could be Colonel-General Ivan Oliynyk, deputy minister for combat equipment and armaments, and Lieutinant-General Volodymyr Shkidchenko, commander of the Odessa military district.

However, if the latter becomes the minister, the national-democratic forces will sharply criticize Leonid Kuchma, observers believe.

It became known that Volodymyr Shkidchenko and the current president of Ukraine maintain long-standing friendly relations. Col-Gen Anatoliy Lopata, chief of General Staff of the Armed Forces and first deputy defense minister, and Col-Gen Vasyl Sobkov, commander of Land Forces, can also be regarded as candidates for the post of the head of the Ukrainian military department.

Intelligence Service Deputy Chief Views Tasks

WS2207093094 Kiev KIYEVSKIYE VEDOMOSTI in Russian 15 Jul 94 p 3

[Interview with General Major Volodymyr Lehominov, first deputy chief of the Ukrainian Armed Forces General Staff Intelligence Service Main Directorate, by Anatoliy Smetanin; place and date not given: "Is There a War of Intelligence Services in Ukraine?"]

[Text] The intelligence service is a screen, behind which everybody wants to look. Alas, not everybody succeeds in doing so. Genuine professional intelligence agents cherish their work, while those (in general—retired agents) who dare to say a word about it, speak tactfully, without revealing the basic methods used in intelligence activities.

A discrepancy in all this, in my opinion, was introduced during an interview with Reserve Colonel S. Horbatovskyy which appeared in one of the Kiev papers. That interview has left the impression that our military intelligence service is managed by dilettantes and shortsighted men who do their best to ruin it. For God's sake, was it not an objective of General Colonel A. Lopata, chief of the Ukrainian Armed Forces General Staff, who ordered (as Horbatovskyy asserts) to bring out intelligence agents during...a military review organized by the Defense Ministry?! Therefore, the colonel in reserve concludes, it is necessary to move the intelligence service from the General Staff's guardianship under the direct authority of the defense minister, or even the president...

In general, such surprising statements provoke somber thoughts about the future of our military intelligence service. Should one completely trust, however, the reflections of a man who left the ranks of the intelligence service? Is it not better to pose questions to the actual chiefs?

Our interlocutor is General Major Volodymyr Lehominov, first deputy chief of the Ukrainian Armed Forces General Staff Intelligence Service Main Directorate [GUR].

Gen. Maj. Volodymyr Ivanovych Lehominov—first deputy chief of the GUR—was born in the Dnepropetrovsk region in 1943. In 1960, he graduated from the Tashkent Military School, subsequently—from the Military Diplomatic Academy. He served for 14 years in the Transbaykal region. In 1987, after graduating from the Soviet Army General Staff Academy, he served in Legnica (Poland), in the headquarters of the Western Direction [as published] as deputy chief of the intelligence service. From 1989 to 1992, he was chief of the intelligence service of the Cisbaltic Military District. In July 1992, he was appointed chief of the Ukrainian Armed Forces General Staff Intelligence Service Directorate, and in 1993—first deputy chief of the GUR.

[Smetanin] Volodymyr Ivanovych, GUR chief Oleksandr Skipalskyy—currently a deputy in Ukraine's Supreme Soviet—actually withdrew from controlling the Directorate: At first, he was distracted by his election campaign, now—by his duties in the Supreme Council in Kiev, to where, by the way, he plans to move permanently. In principle, the GUR is currently under your leadership. Tell us, please, to whom should the military intelligence service actually be subordinated? And in general—what is the situation today in the intelligence service?

[Lehominov] Let us jointly clarify what we have inherited from the former Soviet Army Intelligence Service. This includes, first of all, a military intelligence network on the level of district, Army, and division, along with corresponding communication means. With regard to the external [zneshnaya] intelligence service—a military attache network and other foreign elements—we have nothing at all. The basis for training personnel has also been undermined (it was left to the Russian Federation), including radio intelligence, external intelligence service, and special destination troops [linii spetsnaza]. The production of technical means generally remains in Russia, as well.

These were the burdens, with which the General Staff Intelligence Service Directorate and the Military Strategic Intelligence Service Directorate began their activities. Actually, no basis and no experience, but two directorates. You must admit that one needs some kind of structure in such a situation. Speaking figuratively,

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one needs a head to unite and manage this motley household. The General Staff has become such a body. I prefer to determine the status of intelligence service structures according not to the level of subordination, but to their efficiency and the competence of officials under their charge. Well, of course, one may subordinate the intelligence structures to the highest instances, but still achieve minimal results. The former USSR General Staff was in charge of the entire military intelligence service and one cannot say that this service was weak or that its reports were not delivered on time to the highest military and political leaders. That is one thing.

Second, it is not always expedient to copy the principles of activity and structures of foreign intelligence services. Yes, the best should be taken into account in practical work, but one should not forget our specific character and actual possibilities, as well as the general tendency for centralizing control over intelligence services given the current circumstances. Furthermore, the military intelligence service should not be confused with the intelligence services of other authorities!

Third, with regard to Horbatovskyy's proposal to subordinate the military intelligence service to the Defense Ministry. First of all, resolutions connected with the development of this structure are adopted at the highest level, while operational missions are assigned only to their direct executors in the area of their concern. For these reasons, it is very difficult for the man, after eight months of retirement, to make an analysis or, all the more so, to objectively evaluate the situation in the business from which he retired. Still, what underlies the argument to subordinate the intelligence service to the defense minister? It means putting power in someone else's hands and losing control over the intelligence service! It is because the defense minister has no apparatus for directing intelligence activities. Even more so, the president! Regarding the General Staff, it is capable of carrying out this work, and that has been proven in practice.

Just few words about that military review. A military organization should fulfill the requirements, which are demanded of it. This also applies to the study of service regulations and parade drill. Another point is that such reviews are attended by those forming the permanent body of the defense ministry. Those planned for operational work abroad are not put in the ranks, of course—we are not those kinds of dilettantes...

[Smetanin] I am sure of that, too. Could you tell us what regions abroad are of priority interest to our military intelligence agents?

[Lehominov] It is manifest from our doctrine: We have no specific enemies. If, nonetheless, we take into account the possibility of a threat to state security, then our main task is to detect and reveal this threat, regardless of its origin.

[Smetanin] There is a report that the command of the Ukrainian Navy requested that the Defense Ministry reinforce its intelligence service bodies because of its incapability to supply reliable intelligence from the Crimea, where, according to Horbatovskyy, Russia's Intelligence Service Main Directorate has 12 operational groups. What counteraction is being offered by our GRU? Through your methods, can you influence the establishment of peace and stability in this region?

[Lehominov] First of all, it should be noted that the military intelligence service does not conduct any activities within its own country.

Now regarding the Navy. In any case, the Navy should have its own intelligence structures, and it surely has them. Still, one must get to the root of this question. At one time, when the Black Sea Fleet was still under the charge of two presidents [Yeltsin and Kravchuk], there was a mutual exchange of intelligence. However, as the atmosphere around the fleet in the Crimea was becoming hot, this cooperation began to dwindle. Naturally, the Navy command is upset by a reduction of its possibilities in this sphere. This is a difficult problem, but we will solve it.

With regard to the activity of Russian or other special services in the Crimea, such work is indeed conducted, and I think that it is conducted not by amateur craftsmen or on a private basis. Apparently, all this is being done according to a plan, all the more so that there is support and even welcome there; furthermore, the goal is clear—to protect interests of this state or the other in the region.

[Smetanin] Do you have contacts with the Ukrainian Security Service?

[Lehominov] This is a confidential side of our activity. There is a permanent exchange of information on topics of mutual interest to prevent them from intersecting and causing harm.

[Smetanin] Do you see any way out of the Crimean situation?

[Lehominov] I think that, no matter how events develop, the main outcome will depend on the Supreme Councils—of Ukraine, Russia, and the Crimea. All is limited to the highest echelons of power; the military intelligence service is far from playing a leading role in all this. The stabilization of the situation depends primarily on these three Supreme Councils and the adoption of their confidentially adjusted resolutions. Regarding someone's proposals to remove the structures of the Russian intelligence service from the Crimea to improve the situation—is not the way to do it. Those structures operating officially may be removed. The greatest threat, however, is posed by the other [structures] which may remain without our knowledge.

[Smetanin] Are there such structures?

[Lehominov] I think that there are.

[Smetanin] One has the impression that Ukraine is a battlefield of intelligence services...

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[Lehominov] A battle of chancellors [as published], a battle of intelligence services... Political and economic difficulties after the disintegration of the Soviet Union certainly set the stage for activities by the special services. This is unquestionable. It is not ruled out that the special services, which are interested in Ukraine, are trying to exploit this opportunity. Not necessarily to undermine something, but just to obtain information which will make it possible to keep a finger on the pulse of events. The control of information permits the adoption of expedient resolutions. We are going through a dangerous period for the sake of our future. That is for sure.

[Smetanin] I have recently read in IZVESTIYA something of a declaration of love for the Russian intelligence service by the female chief of the British counterintelligence service. You know about the situation of our neighbors, at least as well as that lady. Have they really any grounds for claiming to be the third intelligence service in the world?

[Lehominov] I was brought up by the USSR intelligence service. Yes, this service has achieved impressive results. Many secrets of other states have become the possession of the Soviet intelligence service. It is a service with good traditions. The Russians are continuing these traditions. Well, it happened even in the Soviet Union that the intelligence service, including external intelligence service, was not sufficiently subsidized. Our current possibilities are also not considerable, but the state leadership does everything possible to support us.

[Smetanin] Do you not feel uneasy on account of your training in Moscow and work for the Soviet intelligence service? Do you not feel that you may be suspected of working for Moscow?...

[Lehominov] Your question is of a delicate nature. I will answer it this way: An intelligence service, especially a military one, is founded on firm principles. We have our professional ethics. I cannot even imagine that I, having decided to serve Ukraine, where I was born and raised, would carry any elements of betrayal within me. Even unintentionally.

[Smetanin] Have there been casualties among our military intelligence agents?

[Lehominov] Our structure is not so elaborate as to create situations with casualties might occur. By the way, it is generally a rare phenomenon, and of rather a confidential nature. An intelligence service or intelligence agents become known only in the event of failure.

[Smetanin] Volodymyr Ivanovych, let us suppose that somebody wants to influence the situation in our country. Do you have any intelligence specialists capable of creating circumstances in some region, which would be favorable for our state?

[Lehominov] Any individual agent should possess some organizational talents and be able to use certain forms and methods of practical activity to influence a certain situation. This is not our main goal, but, if circumstances force us, if some concrete actions are taken against us, then, naturally, we will answer with similar measures. Providing, of course, that we receive an appropriate order.

[Smetanin] But do you have such specialists?

[Lehominov] All intelligence services of the world have similar structures. Forms and methods of activity may vary, but the general scheme is the same. We are not an exception to the rule.

[Smetanin] Our paper has reported on the death of a commander of an "Alpha"-type unit. Was it an accident or something different?

[Lehominov] "Alpha" is too strong a word. Yes, we do have units for training intelligence specialists. He was one of the commanders of such a unit. It was decidedly an accident: During a training exercise on the Dnepr River, while diving in a protective suit, he had a heart attack. Doctors said that he might have had it any time due to stress in his life, his devoted service, and the war in Afghanistan.

[Smetanin] You said that "Alpha" is too strong a word. I do not believe, however, that there are no such units in Ukraine...

[Lehominov] I said it, because such units are a prerogative of other structures, not the military intelligence service. For the time being, we do not feel disposed toward it. If an order is given, we will form [such a unit].

[Smetanin] While working abroad, overtly or secretly, have you had any contacts with your foreign colleagues?

[Lehominov] With regard to my activities in intelligence operations, my career has been rather peculiar. The 1970's and 1980's were devoted to the East. There were certain meetings, but I never thought of revealing myself. More possibilities for contacts appeared in 1987, when, following my graduation from the General Staff Academy, I was appointed to the headquarters of the Western Direction (the city of Legnica, Poland). I worked there, as they say, shoulder to shoulder with representatives of the intelligence services of Warsaw Pact countries.

By now, we have contacts with colleagues of both the near and far abroad. The exchange of information, the provision of materials and machinery, and the training of personnel—these are the three directions of interaction.

[Smetanin] "Human intelligence" [two preceding words in transliterated English] is the most secret part of any intelligence service. Many people are worried that the value of human intelligence is underestimated by us...

[Lehominov] I will answer by citing former CIA Director Webster: "Regardless of the ongoing advancements in

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space and aircraft intelligence, human intelligence remains an irreplaceable and sole means for obtaining information on an enemy's plans and intents. For the United States as a superpower, human intelligence is absolutely necessary. Therefore, the number of people participating in the collection of information through intelligence agents will not be reduced by even one man."

We understand this, too. Along with all the subsequent consequences.

Crimean Supreme Council Deputy on Republic Military Issues

LD2307220594 Kiev UNIAR in Ukrainian 2100 GMT 23 Jul 94

[Text] Simferopol, 23 Jul—Aleksey Melnikov, deputy chairman of Crimea's Supreme Council, has reported that the issue of military formations deployed on the territory of the Republic of Crimea, and also the issue of payment for the land, which they lease, were examined at the closed sitting of Crimea's Supreme Council session on 20 July 1994.

According to Melnikov, "the land (more than 100,000 hectares) is occupied by military subunits of the Black Sea Fleet and Ukraine's Armed Forces. The Ukrainian military units do not pay anything at all for leasing the land, and the Black Sea Fleet does this, but irregularly. Under these conditions the Supreme Council charged Crimea's Government with coordinating between the two states the issue of the possibility of settlements for land, which is leased, and also charged it with examining the issue of taking from military units the land, which they are not using."

Crimea's Supreme Council examined the issue of the expediency of maintaining such powerful military groupings on the peninsula. The deputies decided that if the governments of Russia and Ukraine insist on the same strength of armed forces on the territory of Crimea as there is now, they would examine the issue of "compensation for losses for the land lost by the Republic."

Minister Criticizes Nation's Arms Market Departure

LD2207200094 Moscow INTERFAX in English 1611 GMT 22 Jul 94

[Text] Ukraine made a great mistake in leaving the world arms market, according to Viktor Petrov, Ukraine's new Machine Building, Military-Industrial Complex, and Conversion Minister who was appointed to the post this month.

"There are several countries in the world, which have a far smaller scientific and technical potential but they engage in large-scale weapons sales," he told journalists in Kiev Friday [22 July].

He said it would be difficult to return to the market because competitors had already taken Ukraine's place. In addition, the recession in the military-industrial complex (a slump in production of more than 30% compared with the same period last year) and a drop in wages have resulted in qualified workers leaving enterprises.

Petrov said that conversion was taking place at a faster pace in Ukraine than anywhere else in the world.

These problems are to be analyzed at the first congress of Ukraine's machine building workers scheduled for 27-28 July in Kiev.

Currently the Machine Building, Military Industrial Complex, and Conversion Ministry oversees 1836 enterprises and organizations currently employing over 2 million people.

Drought in Volyn Oblast Causes Crop Failure 'Disaster'

AU2007115194 Kiev HOLOS UKRAYINY in Ukrainian 19 Jul 94 p 4

[Unattributed report: "The Drought in Volyn Oblast"]

[Text] In the second half of June and beginning of July, there was practically no rain in the Volyn Oblast in southern and especially northern Polissya [between the Bug and Desna Rivers], while the temperature there reached between 26 and 32 degrees centigrade. Deputy Chairman of the Volyn Oblast Executive Committee Vitaliy Zaremba said, proceeding from a preliminary assessment by specialists, that crops on almost 70,000 hectares—12.3 percent of the total area—had perished. It looks like between 50 and 60 percent of cereal crops, potatoes, and fiber-flax have been lost. There is virtually no grass on 83,000 hectares of grassland and pastures. Oblast and rayon commissions have been created for an final assessment of the consequences of the natural disaster and preparation of proposals on how to emerge from the situation.

'Finalized' Data Released on Supreme Council Elections

LD2507144094 Kiev UNIAN in Ukrainian 1100 GMT 25 Jul 94

[Text] Kiev, 25 Jul—According to finalized data received by UNIAN from Ukraine's electoral districts, the elections to Ukraine's Supreme Council were valid in 65 of the 112 electoral districts. A second round of elections will take place in 45 electoral districts. There will be repeat elections in the remainder. Twenty people were elected people's deputies.

As UNIAN has already reported, elections in 18 districts of Kiev and two of Sevastopol were not valid.

Republic of Crimea: One deputy was elected—Volodymyr Yehudin, former minister of agriculture of Crimea, head of the Association of Vegetable-growers of

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Crimea, and one of the leaders of the Party of Economic Revival of Crimea. Run-off elections will take place in three constituencies (Anatoliy Los, leader of the "Russian-Speaking Movement of Crimea" is among the candidates). The elections were not valid in the remaining six constituencies.

Vinnitsa Oblast: Anatoliy Yukhymchuk, deputy chairman of the Zhmerinskiy rayon state administration, and Ivan Yamkovyy, deputy chairman of Ukraine's State Commission for Material Resources, were elected.

Volyn Oblast: The elections were valid in two of the three constituencies. Run-off elections will be held.

Donetsk Oblast: The elections were valid in all four constituencies. The following people's deputies were elected:

Hennadiy Vasylyev, procurator of Donetsk oblast.

Viktor Shevchenko, director general of the lease enterprise "Kirov Makeyevka metallurgial combine."

Stanislav Yanko, first deputy chairman of Ukraine's State Committee for the Coal Industry.

Valentyn Nedryhaylo, first deputy minister of internal affairs of Ukraine.

Dnepropetrovsk Oblast: Pavlo Lazarenko, chairman of the oblast council, and Ivan Mahda, deputy minister of power and electrification of Ukraine, were elected deputies.

Zhitomir Oblast: Serhiy Melnyk, head of the Korolyov collective farm joint enterprise, and Ivan Kostruba, deputy chairman of Zhitomir oblast state administration, were elected.

Zaporozhye Oblast: A second round will be held in one constituency, where the the elections were valid.

Kirovograd Oblast: The elections were valid in all three districts, but no deputies were elected. In particular, Oleksandr Zayets, chairman of the board of the "Ukrtsukor" concern, and Mykola Petrenko, employee of the military counterintelligence department in the campaign against organized crime and corruption of Ukraine's Security Service, went through to the second round.

Lugansk Oblast: The elections were valid in one constituency. Yuliy Yoffe was elected a deputy. He is an adviser to the Ukrainian embassy in the United States.

Lvov Oblast: Oleksandr Yemets, former minister of Ukraine for nationality and migration affairs and member of the Ukrainian Democratic Revival Party's political council was elected. Repeat elections will be held in one constituency and a run-off in another between Pavlo Chemerys, a Ukrainian Republican Party representative, and Mariya Bazelyuk, from the Congress of Ukrainian Nationalists.

Poltava Oblast: The elections were valid in all five constituencies but none of the candidates received the required number of votes. Among the 10 contenders in the run-off are four officers supported by Hryhoriy Omelchenko, chairman of the Supreme Council commission for issues of fighting corruption and organized crime. Their rivals will be directors of local agricultural enterprises, the chairman of the Oblast Council of Trade Unions, the former first secretary of the rayon committee of the Communist Party of Ukraine, and also Serhiy Teryokhin, executive director of the Ukrainian Reform Support Fund.

Rovno Oblast: Elections were valid in both constituencies, but no deputies were elected. Rukh member Volodymyr Shevchenko, member of the leadership of the Union of Officers of Ukraine, Oleksiy Sereda and also Rukh member Heorhiy Lebedenyuk and collective farm chairman Viktor Petruk went through to the second round.

Ternopol Oblast: The second round of elections will be held in one of the two constituencies between Viktor Lytvynchuk (Ukrainian Democratic Party) and Oleksandr Ihnatenko (Rukh). Elections were not valid in the other constituency.

Kharkov Oblast: A deputy was elected in only one out of the four constituencies—Volodymyr Semenozhenko, member of the National Academy of Sciences' Presidium and director of the Institute of Monocrystals.

Khmelnitskiy Oblast: Viktor Semenchuk of the Democratic bloc was elected a deputy. Run-offs will be held in two constituencies. Elections were invalid in one constituency.

Cherkassy Oblast: Vadym Hetman, chairman of the Ukrainian Interbank Currency Exchange Stock Market Committee, was elected a deputy. Run-offs will be held in two constituencies. The elections were declared invalid in two constituencies. According to UNIAN, run-offs will be held in: Kiev oblast—in three constituencies; Kirovograd oblast—in two constituencies; Nikolayev oblast—in two constituencies; Sumy oblast—in two constituencies; Chernigov oblast—in one constituency, and Chernovtsy oblast—in one constituency.

Elections Valid in 58 Constituencies; Invalid in Kiev

WS2507081494 Kiev Ukrayinske Radio First Program Network in Ukrainian 0500 GMT 25 Jul 94

[Text] Repeat elections for people's deputies were held in 112 constituencies on 24 July. According to preliminary data sent to the Central Electoral Commission by regional electoral commissions, the elections were valid in 58 constituencies. Nobody can say for sure, however, that deputies were elected in those constituencies. This will become known after reports on the results of the

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elections arrive from the provinces. In those 54 constituencies in which the elections were not valid, another round of repeat elections will be announced in accordance with current laws.

We received this report about the elections in Kiev just minutes before this newscast: According to preliminary data, 28.9 percent of Kiev residents took part in the elections. Therefore, the elections in Kiev were invalid.

Poor Turnout Reported

LD2407151294 Moscow ITAR-TASS in English 1436 GMT 24 Jul 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev 24 July TASS— Run-off parliamentary elections are under way in Ukraine on Sunday [24 July]. The greatest number of constituencies (112) are in the city of Kiev, in the Dnepropetrovsk, Vinnitsa, Kiev, Poltava, Cherkassiy regions and the Crimean Republic, a constituent part of Ukraine.

However, hopes that new legislators will be elected today are very thin. ITAR-TASS correspondents visited several polling stations in Kiev. The same picture is virtually everywhere: The number of voters who cast balloting papers, was under 100 in each station by 1100, Kiev time.

Over 900 candidates run for vacant seats in the legislature. Groups of voters slated over 550 nominees, political parties—more than 80 and factory personnels—nearly 290. The Communist Party nominated the greatest number—36 candidates, Socialists—11, the Rukh Party (nationalists)—10, Constitutional Democrats—nine, and Republicans—seven.

The legislature now consists of 335 deputies. Three already left parliament: The legislature did not confirm credentials of two lawmakers, and parliamentary powers of Leonid Kuchma were suspended in connection with his election [as] Ukrainian president.

This was done in compliance with a statement by the head of the Ukrainian state.

Every fourth parliamentarian is a Communist. The Rukh party has six per cent of seats, the Peasants Party—five and Socialists—four. Left-wing forces have overwhelming majority in the legislature.

It is quite probable that they will improve their position in parliament after 24 July.

Voter Turnout Announced

LD2407212694 Kiev UNIAR in Ukrainian 2020 GMT 24 Jul 94

[Excerpt] Kiev, 24 Jul—According to the Central Electoral Commission, the following areas took part in runoff elections for people's deputies as of 1300 GMT (in percentages):

Republic of Crimea	32.5
Oblasts:	
Vinnytsa	43.4
Volyn	39.2
Dnepropetrovsk	39.9
Donetsk	45.8
Zhitomir	42.4
Transcarpathia	37.8
Zaporozhye	48.7
Ivano-Frankovsk	all deputies elected
Kiev	37.5
Kirovograd	47.7
Lugansk	53.1
Lvov	31.6
Nikolayev	35.6
Odessa	29.2
Poltava	60
Rovno	51.7
Sumy	38.1
Ternopol	46.01
Kharkov	40.6
Kherson	25.4
Khmelnitskiy	46.0
Cherkassy	46.6
Chernovtsy	45.1
Chernigov	44.5
Kiev city	21
Sevastopol city	27.2

On average throughout Ukraine, 37.9 percent of the electorate had voted by 1300 GMT. This was reported by the "Haryacha Liniya" [Hotline] press center. [passage omitted]

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Belarus

Vice Premiers Okayed; Data on Power Ministers Provided

LD2207172894 Moscow INTERFAX in English 1509 GMT 22 Jul 94

[From the "Presidential Bulletin" feature No. 140 (630): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] At its morning and evening sittings on Thursday the Supreme Soviet confirmed President Lukashenka's choices for Vice Premiers and power ministry chiefs.

Now that it has won parliamentary endorsement, the full list of Vice Premiers integrates:

Mikhail Miasnikovich (financial and economic problems),

Sergey Ling (state planning),

Vladimir Garkun (farming),

Viktor Gonchar (science, culture and the press)

Colonel-General Anatoliy Kostenko will head the defense ministry. Kostenko is ethnic Russian. He was born in 1940 in the Krasnodar territory.

He is a graduate of the Odessa all-arms commanders college, the Frunze college and the college of the Soviet General Staff, and served with the Group of the Soviet troops in Germany and in the Belarusian military district.

In 1992 he was appointed Belarus' first deputy defense minister and in 1992 retired to join the executive staff of the Commonwealth of Independent States.

Yuri Zakharenko was appointed Belarus' minister of internal affairs. He is ethnic Belarusian and was born in 1952 in the Minsk region.

He joined the police force in 1978 starting off as a detective on the staff of a district department of internal affairs and rising to chief, Investigation committee, of the national ministry of internal affairs.

Colonel-General Vladimir Yegorov is Lukashenka's choice for Security Chief. Yegorov was born in 1939.

He graduated from the Mogilev Teachers Training college, the Party's Higher School under the Soviet Communist Party's Central Committee and the Higher School of the Soviet KGB.

He headed the Belarusian ministry of internal affairs from 1990 to 1994.

By unanimous vote Vladimir Senko was confirmed as Belarus' minister of foreign affairs.

Senko, 48, is a career diplomat. In 1973 he graduated from the Moscow Institute of International Relations and in 1987 - from the Academy of Diplomacy of the Soviet Ministry of Foreign Affairs.

In 1991 to 1992 Senko served as Belarusian deputy foreign minister.

He was, up till now, Belarus' Ambassador to Britain.

He is ethnic Belarussian, married, with two children.

Alyaksandar Lukashenka told Interfax that the Supreme Soviet had offered him "stupendous" support.

He refused to play up the parliament's refusal to confirm Dmitri Bulakhov as the chairman of the country's constitutional court. Bulakhov was Lukashenka's trustee for the electoral campaign and chaired the parliament's law-making committee. Lukashenka said Bulakhov "would land a worthy job" on his general staff.

Lukashenka was confident he had a strong team and his men were capable of putting things in order. Even before the expiration of this Supreme Soviet's mandate, he said, the country and civic society would be controlable again.

Lukashenka confirmed his intention to use some key figures of the outgoing administration. That referred, in particular, to chairman Stanislav Bogdankevich of the National Bank's board. According to Lukashenka, Bogdankevich had long since joined his team. Lukashenka rejected reports on frictions between himself and Bogdankevich. Although he was a staunch supporter of free market reforms, Bogdankevich upheld a number of Lukashenka's initiatives for government control of the economy.

They agreed, Lukashenka said, that by January 1, 1995, all industrial facilities that were standing still owing to the economic crisis, could start operating again.

Lukashenka admitted that he would like to see Belarus' Ambassador to Moscow Viktor Danilenko as one of his closest aides. But, he said, Boris Yeltsin asked him, over the phone, to let Danilenko stay a while longer in Moscow. Yeltsin saw Danilenko as "an efficient career diplomat who had launched a good relationship and established friendly contacts with the Russian leaders".

Very soon, Lukashenka said, he would make a decision on president-to-media communication. He felt the recently held presidential race put to test the moral integrity of the Belarussian media chiefs (almost all media editions campaigned for outgoing Prime-Minister Viacheslav Kebich and attempted to tar-and-feather Kebich's opponents).

Serious as it would be, the Cabinet reshuffle, Lukashenka said, would not result in an all-out ouster of ministerial workers. There would be no purge of those who had worked on the staff of the outgoing council of ministers, he said.

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Lukashenka Appoints Chief of Presidential Staff

LD2207204994 Moscow INTERFAX in English 1846 GMT 22 Jul 94

[Text] Belarusian President Alyaksandar Lukashenka appointed Leonid Sinitsyn Chief of the President's Administration.

Sinitsyn, 40, earlier worked as deputy chairman of the permanent parliamentary commission on architecture and construction. He is an engineer by education. Sinitsyn recently graduated from the Academy of Management under the Belarusian Council of Ministers as a manager-economist. He is married with a son.

Since the very beginning of the election campaign Sinitsyn was a strong supporter of Lukashenka and headed his election headquarters. In the constituency from which Sinitsyn had been elected to parliament 97

of ballots cast in the presidential elections went to Lukashenka.

Prime Minister Discusses Economy, Union with Russia

LD2207170994 Minsk Radio Minsk Network in Belarusian 0400 GMT 22 Jul 94

[Excerpts] [Passage omitted] Now we have an exclusive interview on Radyyofakt [name of program] with new Prime Minister Mikhail Chygir by my colleague, Ivan Gladki, conducted immediately after he was elected to that high state post.

[Begin recording] [Gladky] First of all, Mikhail Mikalayevich, let me congratulate you on the high state post and wish you success in this hard work.

[Chygir in Russian] Thank you, thank you very much.

[Gladky] Tell me please, where do you intend to start work in this high post?

[Chygir] First of all, it feels harder now after the voting is over than before, because it has sunk in finally that this huge burden is already mine. Therefore, in my speech I outlined briefly the main points, the main complicated defects which we have to deal with in my view—the finance, credit, and money system, and the problem of prices. Probably these are the issues that we will try to address and on which to make some specific proposals, and to explain to people the need to carry out such a strict policy, to undertake everything necessary in order to protect first of all invalids, pensioners, and other strata of the population who may suffer during the implementation of such a policy.

[Gladki] Tell me please, in the report of Alyaksandr Rygoravich Lukashenka and in the program it was noted that in 6-8 months the whole of industry will start operating, all the enterprises will start working, and those who have found themselves cast out, unemployed, will return to enterprises. How do you see this problem?

[Chygir] This is a most complicated problem and I must say that first of all everything will depend not just on the president, not just on the Cabinet of Ministers, but to a significant degree—and maybe in the majority of cases—on the activity and the position adopted by working collectives—and by the ministries and departments to which they are subordinate. This is where everything starts, where the main force and main possibilities lie. In their turn the president and the Cabinet of Ministers will do everything possible in order to assist that process; we will undertake measures in order to facilitate, to give a chance to all the collectives to work and to live normally if they work well and in a coordinated manner, if they strive. There is no doubt a very difficult period lies ahead of us in developing the republic's economy. Everybody knows that, and I think we will do everything possible in the nearest time to somehow improve the situation. We will see how successful these efforts are.

As I have already said, the defects that we today have in the economic mechanism are in the sphere of finance, the finance and credit policy, and in the sphere of pricing policy. Putting off some decisions will lead in the nearest future to a catasrophe. These decisions will have to be made, very often they will not be very popular, but I think everybody will understand us. There is no other way. I think these unpopular decisions will bring positive results, people will understand it, and I think they will agree with our policy.

[Gladki] You in particular mentioned the finance and credit system, that this issue is very complicated. These days it is very difficult to receive credit for consumer goods. At the same time, bank employees enjoy those credits on favorable conditions. In this regard there was a presentation by Belarus' Procurator General Vasil Shaladonaw to National Bank Board Chairman Stanislaw Bagdankevich. The result is yet unknown. What can you say in this connection?

[Chygir] I have read in the press about by the chairman of the National Bank and employees of the National Bank obtaining credits. Yes, one has to admit that of course bank employees have more chances of obtaining consumer credits than the rest of the population. This exists. What can one do? This issue has to be considered.

[Gladki] President Alyaksandr Rygoravich Lukashenka, making his report at the session, said that the peoples' trust is not indefinite.

[Chygir] There is no doubt. However, the most difficult period is at the beginning. It maybe does not have to last very long, but I think that some improvements must be seen in the first half of next year.

[Gladki] How do you evaluate your team?

[Chygir] When the team was formed, the need to inject new force into that team was taken into consideration, but in order to preserve consistency those people, who have been working and who know the system, and who announced their readiness to give of their best to the Cabinet and the people, they have been invited and will work, and I think that they will justify the trust.

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[Gladki] You will not be able to come out of the difficult situation in which our republic has found itself [word indistinct] without a union with Russia.

[Chygir] It is no doubt so, there is no alternative to that. For me it is as clear as day, and we will work actively in that direction to improve the situation, because I understand only too well that in many respects our economic problems are caused by the trade disbalance between Belarus and Russia.

[Gladki] There was a report in the mass media that well-known Russian economists Grigoriy Yavlinskiy and Leonid Abalkin have been invited to Belarus for cooperation. What do you think about it?

[Chygir] I think that any rational thought, any good proposal that can be capitalized on, regardless of where it comes from, must be used in our economy.

[Gladki] I wish you success in your hard work.

[Chygir] Thank you. [end recording]

Foreign Minister on Monetary Union With Russia

LD2207203294 Moscow INTERFAX in English 1627 GMT 22 Jul 94

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Igor Porshnev, Yevgeniy Terekhov, and others]

[Text] Belarus Foreign Minister Pyotr Krawchanka said nobody had consulted his ministry on the monetary union treaty between his country and Russia.

"I'm happy I've had nothing to do with that treaty," he told a news conference in Minsk on Friday.

But he has "always been aware of the importance of the eastern policy for Belarus" and still believes that his country, Russia and Ukraine should form "an East European market area to keep their markets and ensure more effective integration of the fraternal peoples with the European community," he said.

Krawchanka rejected accusations that the former government of Vyacheslav Kebich had been "surrendering" Belarus's sovereignty. "The Kebich government, which has set up more than 30 diplomatic posts in the world, has refuted such inventions by that fact alone," he said.

Supreme Soviet To Convene Next Session 27 Sep

WS2207125294 Minsk Radio Minsk Network in Belarusian 1200 GMT 22 Jul 94

[Text] Myacheslaw Hryb has chaired today's session of the Presidium of the Belarusian Supreme Soviet. Participants in the session have adopted a decision to convene the 16th session of the 12th Belarusian Supreme Soviet on 27 September 1994.

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Kazakhstan

IAEA Chief Hans Blix Arrives on Working Visit

LD2507064794 Moscow ITAR-TASS in English 0619 GMT 25 Jul 94

[Report by ITAR-TASS correspondent Gennadiy Kulagin]

[Text] Alma-Ata [Almaty] 25 July TASS—Director-General of the International Atomic Energy Agency (IAEA) Hans Blix arrived for a working visit in Kazakhstan today, he is scheduled to visit the no-longer-operational nuclear testing site in Semipalatinsk and the republic's national nuclear centre as part of his five-day tour of Kazakhstan.

The IAEA chief is also due to hold talks with Kazakhstan's Prime Minister Sergey Tereshchenko and sign an agreement on guarantees between Kazakhstan and the IAEA. A joint statement will be made for the press after the talks.

Hans Blix will also meet Foreign Minister Kanat Saudabayev, researchers and representatives of ministries and departments of Kazakhstan.

Cabinet Examines Agroindustrial Privatization

LD2207175694 Almaty Kazakh Radio Network in Kazakh 1400 GMT 22 Jul 94

[Text] Today's session of the Cabinet of Ministers examined the process of dismantling state ownership and privatizing in the agro-industrial complex of Akmola, Turgay, and North Kazakhstan regions. This process is most active in the latter. In Akmola Oblast, 44 out of 147 state enterprises have been privatized. The privatization process in Turgay is slow. Last year it stopped the process of transformations in state farms.

Deputy Premier Sergey Kulagin addressed those present. He instructed the leaders of the region to carry out reforms in the agro-industrial complex and speed up [words indistinct].

Population Statistics Released

LD2507105094 Moscow ITAR-TASS in English 1035 GMT 25 Jul 94

[Report by ITAR-TASS correspondent Fedor Ignatov]

[Text] Alma-Ata [Almaty] 25 July TASS—The Kazakh Statistics Committee which published its regular survey on Monday, revealed the following clear demographic trend in the Republic: The growth of indigenous population is accompanied by a decrease in the number of Russians, Ukrainians and Germans.

According to the survey, the Russian population in the Republic dwindled down by 200,000, Ukrainians—by 40,000 and Germans—by 344,000.

The decrease is mostly attributed to emigration. However, noteworthy is also a fact that the number of the deceased among Russians and Ukrainians living in Kazakhstan topped last year the number of newborns for the first time in the postwar years. The natural loss amounted to 3,377 and 2,189, respectively.

The birth incidence for all the ethnic groups populating the Republic considerably dropped over the past three years: It fell from 68,000 to 64,000 in Kazakh families and from 15,000 to 9,000 in Russian. Specialists attribute the drop in the birthrate due to the lower number of weddings.

The survey says that the rise in mortality rate and the drop in life expectancy are one of the main reasons for demographic changes.

Over 156,000 people died last year, or 33,500 more than in 1987 when the highest increment in population was registered. Child mortality rose by nine per cent last year as against 1992. As many as 28 babies per 1,000 died in the first year of their life.

According to experts, the economic crisis and falling living standards of kazakh people have an increasingly negative influence on the reproduction of population.

Kazakhstan continues to take the fourth place in the number of people in the Commonwealth, trailing Russia, Ukraine and Uzbekistan. There were 16,942,000 people in the Republic, as of 1 January 1994.

Kyrgyzstan

Akayev To Reform Supreme Soviet

MK2307121594 Moscow SEGODNYA in Russian 23 Jul 94 p 5

[Report by Dmitriy Zhdannikov: "Askar Akayev Gets Mad at Supreme Soviet, and Some Think Parliament May Be Disbanded"]

[Text] The differences that arose many months ago between Kirgizia [Kyrgyzstan] President Askar Akayev and Supreme Soviet President Medetkan Sherimkulov have increasingly suggested to the former the need for reforming the country's main legislative organ. One possible ground for doing this is the impossibility to finance a standing parliament of more than 170 deputies. The Zhogorku Kenesh (the Kirgiz equivalent of Supreme Soviet, which the deputies had a hard time finding in their own language, and which they changed several times last year alone) currently convenes twice a year. The state is not going to have any financial possibilities in the nearest future to create a standing parliament with the same number of deputies.

The usually gentle and cautious President Akayev has all at once taken a sharp posture toward the Soviet which many take to signify not only reform, but even disbandment of parliament. They are even expecting a show, not

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unlike the one played out in Russia. And while it does not seem possible to keep track of all the momentary irregularities in President Akayev's attitude to the Supreme Soviet, the recent claim by Speaker Sherimkulov that "we will always find a common language with Askar Akayevich of all people," sounds rather doubtful.

However, Akayev so far has refrained from dissolving parliament, and during the recently held first republican congress of judges he drew the line at supporting the initiative of the Chu Soviet (one of the five major oblasts in Kirgizia) to create a parliament of two chambers: a standing chamber (58 deputies with legislative functions) and a sessions [sessionnaya] chamber (49 deputies mainly concerned with budget problems).

Quite naturally, the Supreme Soviet called this initiative unconstitutional right away. Yesterday, however, a group of 105 people's deputies of Kirgizia made public a statement suggesting that parliament disband and hold a national referendum on changing the Constitution. "We are worried over the brewing political conflict, the desire of some figures in the Supreme Soviet, who have decided to take advantage of the economic and social difficulties and 'topple' President Akayev," the statement says.

It is not the deputies who play first fiddle in the country, but the regions and the regional leaders. If the new system proposed by Akayev is to be followed, the sessions chamber, for example, will have seven deputies from each oblast and from Bishkek. As a result, the huge southern region will be numerically represented in precisely the same way as the smaller northern oblasts. And only this, perhaps, may deter Akayev who, for all intents and purposes, has decided on a parliamentary reform out of fear of splitting the country into several feuding clans.

Deputies Urge Supreme Soviet To Dissolve

LD2207110994 Moscow INTERFAX in English 0954 GMT 22 Jul 94

[Text] In Kyrgyzstan, 105 representatives of various levels of government have demanded that parliament dissolve itself and call a national referendum on forming a new two-chamber republican legislature.

The authors of a statement made public in Bishkek Friday [22 July], among whom are 50 of the 350 parliament deputies and five of the six regional governors, accused a number of unidentified lawmakers of fomenting political strife in the Republic in an attempt to bring down President Askar Akayev.

"It's precisely because of these people that economic reform is being undermined, social insurance measures for the poor are being frustrated, the adoption of progressive laws and presidential decrees is being held back," the document stresses.

The statement points out that "the parliament's chairman Medetkan Sherimkulov, his aides, and the parliamentary newspaper Svobodnyy Gory, have turned parliament into a place for dubious political intrigues, an obstacle to the smooth constitutional process."

The parliament's tenure expires this autumn. The deputies are expected to schedule new elections for next spring.

Foreign Minister Meets NATO Delegaton 23 Jul

LD2307180894 Moscow Mayak Radio Network in Russian 1700 GMT 23 Jul 94

[Text] A NATO delegation now visiting Bishkek had a meeting today with Kyrgyzstan Foreign Minister Rosa Otunbayeva. During the meeting the NATO delegation was handed draft proposals on possible cooperation by Kyrgyzstan and other Central Asian states with the North Atlantic alliance. The main purpose of the NATO delegation's visit to Kyrgyzstan is to determine the interests and the framework for the Republic's concrete participation in the Partnership for Peace program, and to explain the aims of the program.

Further on Military Cooperation Agreement With Russia

LD2207121494 Bishkek Kyrgyz Radio First Program Network in Russian 2300 GMT 21 Jul 94

[Text] General Pavel Grachev, Russian Federation [RF] defense minister, and Lt General Murzakan Subanov, Kyrgyzstan defense minister, signed an intergovernmental agreement on 21 July on the military service by citizens of the RF in Kyrgyzstan's Armed Forces and their [word indistinct]. The press-service of the Kyrgyz Ministry of Defense reported that RF servicemen will now be able to serve in Kyrgyzstan's Armed Forces in accordance with a contract with the republican Ministry of Defense. RF servicemen will retain legal rights, stipulated by the legal acts of the RF. The RF's servicemen and members of their families will enjoy rights and freedoms of citizens of Kyrgyzstan, apart from the rights connected with Kyrgyzstan's citizenship. They will not take an oath, but they will pledge to fulfill their servicing commitments to the Ministry of Defense of Kyrgyzstan. The sides recognize the granted military ranks. Granting of the next rank is to be done in accordance with a regulation of Kyrgyzstan's Armed Forces. The grant of the military rank of lieutenant-colonel and higher ranks should be agreed with the RF's relevant state bodies. RF servicemen should not be involved in any internal conflicts. Kyrgyzstan undertakes to buy housing or grant money for the construction of housing to those servicemen who have spent 20 or more years in military service, after discharge from the service, and who have opted to live in the RF, with the exception of Moscow and St. Petersburg. Those who choose to stay in Kyrgyzstan will have the right to free private ownership of the state apartments that have been allocated to them earlier.

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PRC Envoy on Willingness To Halt Nuclear Tests

MM2207143394 Moscow ROSSIYSKAYA GAZETA in Russian 21 Jul 94 First Edition p 6

[Report by Vladimir Berezovskiy: "Bishkek Alarmed at Beijing's Nuclear Activeness"]

[Text] Tashkent—A. Aytmatov, Kirghiz deputy foreign minister, has handed Pan Ranglin, China's ambassador in Bishkek, a statement regarding the underground testing of a nuclear device at the Lop Nor test range 10 June. It points out that has in under two years China has carried out three atomic explosions, undermining the health of people in the region. "As a state that has a direct border with the PRC Kirghizia [Kyrgyzstan] experiences well-founded and growing concern. We back Kazakhstan's initiative to set up a joint commission to monitor the consequences of nuclear tests at the Semipalatinsk and Lop Nor test sites and express willingness to take a most active part in it," the statement says.

The document stresses that Kirghizia, as a nuclear-free country, advocates the renunciation and nonresumption of nuclear test activity, which has a negative impact on the prospects for talks on the universal banning of nuclear tests. The continuation of explosions does not help to strengthen confidence-building measures in the Asia-Pacific region.

In turn the Chinese ambassador presented a PRC Foreign Ministry statement, saying that Beijing is willing to totally suspend tests on condition that a corresponding international treaty is signed no later than 1996.

Tajikistan

Defense Official Denies 50 Taken Prisoner in Pamir

LD2307095094 Moscow ITAR-TASS World Service in Russian 0848 GMT 23 Jul 94

[Report by ITAR-TASS correspondent]

[Text] Dushanbe, 23 July—The situation has sharply worsened in the Tavildaryinskiy rayon in the Pamir region of Tajikistan, where in the last few days opposition groupings have accelerated their actions against the Republic's government forces stationed there. An ITAR-TASS correspondent learned today at the headquarters of the Gorno-Badakhshan (Tajik autonomous region) political council of the opposition democratic forces, that during the night of 21-22 July, the opposition group of Field Commander Khakim attacked one of the Republic's Defense Ministry units. As a result, one armored vehicle and several lorries were seized and almost 50 servicemen of the Tajik government forces were taken prisoner. The fate of the captives is thus far not known.

It has also been learned from informed sources in Dushanbe that a helicopter of the Tajikistan air force was shot down in the morning of 22 July while carrying out a reconnaissance flight in the mountain regions of Tovil-Dara rayon. The helicopter made a forced landing not far from the rayon center. According to some reports, the crew was not injured, but according to others, one member of the crew was wounded.

Official military sources in Dushanbe have categorically denied these reports and stressed that the situation in the region near the Pamir mountains is fully under the control of the governmental forces. Col. Nuraliy Sheraliyev, Tajikistan's deputy defense minister, told the ITAR-TASS correspondent there had been no clashes between government forces and the opposition and no servicemen had been captured.

However, he admitted that a defense post situated not far from Tovil-Dara at the village of Langar had come under fire. Sheraliyev also denied the opposition's claim to have shot down a helicopter. He said that the combat helicopter had indeed made a forced landing near Tovil-Dara, but this was caused by technical malfunctions and none of the crew had been wounded.

Tajik Forces Attempt To Free Soldiers

LD2307214394 Moscow 2x2 Television in Russian 2055 GMT 23 Jul 94

[Text] Tajik Government forces have commenced operations to free Tajik servicemen seized by the armed opposition on 22 July. Among the hostages are 50 conscript soldiers and three officers. A POSTFACTUM agency correspondent reports that before taking the hostages, the rebels killed four local people.

Some Hostages Reported Dead

LD2407125694 Moscow ITAR-TASS World Service in Russian 1200 GMT 24 Jul 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 24 July—The search by subunits of the Tajikistan Government forces for 53 of their servicemen who were kidnapped three days ago by the Khakim [as received] opposition grouping in the mountains of Tavildara Rayon in the Pamir region of Tajikstan entered a decisive stage today.

According to information, motorized subunits and helicopters lighting up the surrounding gorges are being widely used in the operation.

According to a Tavildara source, some of the hostages have been killed and the rest are being kept under reinforced guard by Khakim's opposition grouping in the gorges of Tavildara.

Border Troops on Alert

LD2507110194 Moscow ITAR-TASS World Service in Russian 1015 GMT 25 Jul 94

[Report by ITAR-TASS correspondent Anatoliy Yurkin]

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[Text] Moscow, 25 July—Russian border troops in Tajikistan have been put on heightened combat alert and are warning the Tajik fighters that they will not allow the transfer of over 50 servicemen from Tajikistan's Defense Ministry, taken hostage on the night of 21 July, to Afghanistan. This statement was made today by Lieutenant General Anatoliy Chechulin, commander of the Russian border troops in Tajikistan, an ITAR-TASS correspondent was told at the press center of the federal border service.

The general said this would not be allowed to happen and warned that measures to step up security on the state border had been taken jointly by the republic's Security, Defense, and Interior Ministries, with the cooperation of the self-defense forces of Gorno-Badakhshan. Units and subunits had been put on heightened combat alert and armoured equipment backed by aviation and reserve forces had been sent to border areas. Any attempt by the fighters to move the hostages to Afghanistan will be blocked decisively, the commander said in his statement. He also made it clear that the leadership of Tajikistan's Islamic Rebirth Movement, which initiated the kidnapping of servicemen and which has destabilized the situation on the state border, would bear full responsibility for what happens.

Rahkmonov To Run for President, Wants in Ruble Zone

LD2407124794 Moscow ITAR-TASS World Service in Russian 1050 GMT 24 Jul 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 24 July—Emomali Rakhmonov, chairman of the Supreme Soviet of Tajikistan, intends to run for president of the Republic in the September elections. Until then, he sees the entry of Tajikistan into the ruble zone as soon as possible as his most pressing goal.

In an interview with the local BIZNES I POLITIKA [BUSINESS AND POLITICS] newspaper, the Tajik leader also said: "I have a huge sense of responsibility. I took this upon myself at the 16th session of the Supreme Soviet and swore then to do everything to stabilize the situation in the Republic. In the last two years I managed to get done what I wanted to do, but much remains to be done. I do not have the moral right to retreat, and I intend to fight honestly and justly." Emomali Rakhmonov does "not intend to make the people any promises" since the people are "fed up with them."

The present leader of Tajikistan sees as his task "the successful completion of constitutional reforms; the adoption of the Republic's constitution in the nationwide referendum on 25 September; and the return of all refugees to their homeland." Emomali Rakhmonov stated his desire to see Tajikistan in the ruble zone as soon as possible. He noted that both the president of Russia and the prime minister "are favorably disposed toward unification of the monetary systems of Russia and Tajikistan." Therefore, in Emomali Rakhmonov's view, "realistically, an agreement may be signed as early as this September."

Observers list Abdumalik Abdullojonov, former prime minister of Tajikistan and now ambassador to Russia, among other possible candidates for president. He comes from the northern part of the country, whose representatives have occupied the highest states posts in the republic for decades. Abdumalik Abdullojonov, who took part in a recent session of the Tajik Supreme Soviet, was asked by an ITAR-TASS correspondent if he would run for the presidency. Abdullojonov laughed diplomatically and raised his hands up to heaven.

Supreme Council Session Concludes

LD2107200894 Dushanbe Radio Tajikistan Network in Tajik 1700 GMT 21 Jul 94

[Excerpts] The work of the 19th session of the Supreme Council of the Republic of Tajikistan the 12th convocation continued today. The morning session was chaired by Imamali Rakhmonov, chairman of the Supreme Council of the Republic.

Zuhurddinov, chairman of the State Committee for Construction and Architecture, spoke on the law of the Republic of Tajikistan on the construction of private homes in the Republic of Tajikistan. The law was adopted following discussion.

Emomali Rakhmonov informed the people's deputies that the proposal to add to the agenda of the 19th session of the Supreme Council the draft law of the Republic of Tajikistan on the election of the president of the Republic of Tajikistan was approved in the morning session of the Supreme Council Presidium of Tajikistan. Participants in the session approved the proposal and added it to the agenda of the session.

Following this, the people's deputies began discussion on the report by the National Bank chairman of the Republic of Tajikistan for the year 1993. The report was presented by Kayum Kavmiddinov, Chairman of the National Bank and people's deputy of the Republic. This issue was debated lively. [passage omitted]

The session established a (?new) commission to examine the activities of the National Bank of the Republic.

Samadov, chairman of the Council of Ministers of the Republic, informed the people's deputies on the integration of the monetary systems of Russia and Tajikistan, and on the problems concerning the entry of Tajikistan into the ruble zone.

The people's deputies then adopted laws of the Republic of Tajikistan on the fundamentals of the taxation system, as well as on income tax for enterprises and organizations that were examined at the Supreme Council committees, taking into account proposals from the people's deputies.

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Laws of the Republic of Tajikistan on introducing amendments and addenda to the law of the Republic of Tajikistan on denationalization and privatization of ownership in the Republic of Tajikistan, on introducing amendments and addenda to the law of the Republic of Tajikistan on land reform, on repelling a number of legal documents of the Republic of Tajikistan, and on issues of protection of environment were adopted unanimously. The decisions of the Supreme Council of the Republic on arrangements for coming into force of these laws were also adopted. A [word indistinct] decision was also adopted on [word indistinct] deputy chairman of the Constitutional Supervisory Committee of the Republic of Tajikistan.

The people's deputies at the end created a special commission to (?organize) a nationwide referendum on approving the Constitution and the election of the president.

The session was summed up by Imamali Rakhmonov, chairman of the Supreme Council of Tajikistan. With this, the 19th session of the Supreme Soviet of the Republic of Tajikistan ended its work.

Rakhmonov Calls for Unity

LD2207111994 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 22 Jul 94

[Text] Yesterday the 19th session of the 12th convocation of the Tajik Supreme Soviet finished its work. In the course of two days and 20-hour work days, the deputies examined and adopted decisions on 25 questions in the agenda, including the draft of the new constitution of the Republic of Tajikistan, the emergency budget of the Republic, and the report of the chairman of the Tajik National Bank. Discussions were held and corresponding decisions were made on the draft laws on taxes on profits from enterprises, organizations, the law on [words indistinct], the law on the protection of the animals, the law on refugees, on [words indistinct] and others. [passage omitted]

Elections for the post of Republic of Tajikistan president will be held on 25 September. [words indistinct] not only the head of state, but what form will our state take, on which political, and socioeconomic basis will it develop. The events of the last three years have been a very important experience for the people of Tajikistan. No person after such an experience can make the wrong choice when electing the president, the election of a political partner. Further, during the work of the session Emomali Rakhmonov, head of state and chairman of the Tajik Supreme Soviet, called on the people to unite and for mutual understanding. This is necessary for anyone who is working in the leading organs and not for certain individuals, he said. This is necessary for our common country, for Tajikistan, for the peoples of the Republic. We ought to show the world we can live in peace. [words indistinct] can develop, can achieve any socioeconomic record.

Envoys Discuss Refugee Problems

LD2307122994 Dushanbe Radio Tajikistan Network in Tajik 0030 GMT 23 Jul 94

[Text] An issue related to repatriation of our compatriots, who have fled the country as a result of the known events is at the center of attention of the leadership and government of Tajikistan.

A number of issues related to living conditions and repatriation of Tajik refugees were discussed in a meeting between Said Sharipov, the Tajik ambassador extraordinary and plenipotentiary to the Republic of Kazakhstan; Vladimir Shumov, Kazakh minister of internal affairs; and Sat Tokpakbayev, chairman of the Kazakh National Security Committee in July, 1994.

According to preliminary accounts of the Kazakh Internal Affairs Ministry, currently there are from 4,500 to 5,000 Tajik refugees living in Kazakhstan. The Tajik Embassy in the Republic of Kazakhstan requested the resolution of the issues related to temporary registration and employment of the Tajik refugees. The Kazakh side realizes the importance of this issue and is taking specific measures to solve that.

Both sides exchanged opinions on issues related to living conditions of our compatriots in the Republic of Kazakhstan and the process of repatriation of the Tajik refugees to their permanent places of residence.

Constitution Likely To Increase Exodus of Ethnic Russians

MM2507123594 Moscow KRASNAYA ZVEZDA in Russian 21 Jul 94 p 3

[Report by Aleksandr Pelts under "Postscript. Events and Commentaries" rubric: "Tajikistan Adopts New Constitution But Gunmen Continue To Prepare for War. In These Conditions Russian Border Guards Continue To Strengthen Commonwealth's Southern Border"]

[Text] The latest session of the Tajik parliament (National Assembly) opened in Dushanbe 20 July. An important aspect of the draft [constitution] presented was the provision designed to extend public organizations' political rights and freedoms and to eliminate the conflicts that have arisen as a result of the almost three years of civil war. But will the new constitution solve the numerous other domestic political problems? Will it reduce the keenness of the power struggle?

Alas, it is very hard to say. Before there was time to publish the draft the Council of National Communities and Associations of Tajikistan delivered a special appeal. It stresses that the draft blatantly discriminates against the republic's nonindigenous population (let us recall that one-third of the population are Uzbeks and so-called Russian-speakers).

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There are reasons for such a pointed statement. In the opinion of the appeal's authors, on the day the new constitution is adopted the entire population automatically becomes citizens of the Republic of Tajikistan. The only state language named in the draft is Tajik. Finally, not one of the 20 amendments previously made by the council's representatives made it into the draft.

It is not difficult to imagine the consequences of the situation that is developing. The hitherto uncontrolled process of mononationalization is automatically turning into an "organized" process. That means that thousands more specialists, especially middle-level ones, will leave Tajikistan, which will aggravate the economic problems even more. This process will also adversely affect the domestic situation in the Republic. It is known that the armed opposition has not abandoned its plans to seize power by force. There is a great mass of proof of this. Tajik-Afghan border incursions have not ceased. Moreover, lately "domestic" gunmen, who had gone to ground, have become markedly more active. At the same time, "across the river" in Afghanistan, the competent organs testify that numerous field commanders' detachments are continuing to build up their forces.

These and other facts confirm that the armed opposition is simply waiting for a suitable opportunity to launch a strike. When will it be launched?

It was expected in spring. It is expected in summer. So far, hostilities have been limited to firefights involving small groups of gunmen (up to 20 people), but nobody can guarantee that their numbers will not triple tomorrow and that the tragedy of the 12th Border Troops Subunit will not be repeated.

Government Criticized Over Failure to Pay Salaries

LD2207192494 Moscow INTERFAX in English 1509 GMT 22 Jul 94

[From the "Presidential Bulletin" feature No. 140 (630): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] The Tajik Government has come under fire in parliament following a shortage of cash and failure to pay wages to local workers for the last six months. By far the strongest attack was launched on President of the National Bank Kayum Kavmedinov who blamed the setback on the unresolved question of the country's entry of the ruble zone with Russia, our correspondent reports from Dushanbe.

For his part, Prime Minister Abdulmadjid Samadov said the government arrears of Rbl 200 million in unpaid wages was caused by the flight of money to neighboring Uzbekistan and Kazakhstan, and the stashing away of rubles for the rainy day.

He said that although the package deal with Russia was signed on 16 June and the government was ready for the country's incorporation into the ruble zone, the question was a political one and "a solution lies not only with us but also Russia." At the same time, Samadov believes that certain forces within the Russian parliament and leadership are opposed to Tajikistan's entry into the ruble zone.

In this connection, the prime minister said that "we could introduce our own currency at any moment, but inflation may soar up because of a short supply of commodities."

Samadov said Dushanbe had asked Russia for a further Rbl 180 billion credit until the end of this year, "but no money has yet been made available" despite a positive response from the Russian president and prime minister.

He said there could be some room for maneuvering and the situation kept under control if the first credit of Rbl 120 billion allocated for Tajik facilities and one tonne of gold as a collateral had been granted in full rather than in parts of 30-40 percent at a time. At the same time, Samadov said it would take him an hour's time to provide a full account of how the money was spent.

Samadov went on to say that the government needed a total of Rbl 500 billion to cover the deficit adding that Dushanbe and Moscow had reached agreement on this as well.

However, the prime minister warned against putting all eggs into Russia's basket alone in a critical situation such as it was now. He said the government and the National Bank had at least three options for obtaining foreign loans to help keep the republic afloat. But he said that no foreign credits could be granted in the even of further political upheavals.

As an example, he pointed to the latest series of terrorist attacks on Russian servicemen which derailed the granting of credits to Tajikistan. "According to the western press, this is the main reason why the offer of credits has been withdrawn," Samadov said.

On the state of industry, the prime minister said its efficacy would largely depend on steady supply of resources from Russia and other CIS states. As it is now, he said, "our industry is on a meagre ration, with 70 percent of plants being paralyzed or working under capacity."

Summing up the house debate on this, Speaker of Parliament Emomali Rakhmonov said that the country and its leadership faced the task of bringing political stability to Tajikistan before tackling financial and economic issues. For this to happen, he said, a new constitution must be adopted and new president elected to bring greater stability and win confidence of the world community, Russia and other CIS states. "Only then, we can rely on an early solution to the problem of the Republic's entry into the ruble zone," he said.

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Commander on Role of CIS Peacekeeping Forces

MK2307104394 Moscow NEZAVISIMAYA GAZETA in Russian 23 Jul 94 pp 1, 3

[Interview with Valeriy Patrikeyev, commander of CIS Collective Peacekeeping Forces in Tajikistan, by NEZAVISIMAYA GAZETA's military commentator Nikolay Plotnikov in the "At First Hand" column; place and date not given: "Valeriy Patrikeyev: 'The Collective Peacekeeping Forces Are Implementing the Tasks Defined by the Council of Heads of State.' The Commander of the CIS Collective Peacekeeping Forces in Tajikistan Believes that They Have Also Made a Contribution to Starting the Negotiating Process]

[Text] Colonel-General Valeriy Anisimovich Patrikeyev has worked his way up from platoon commander to military district commander—first in the Volga District, for four years, and then in the Transcaucasus District, for another four years. He graduated from the M.V. Frunze Military Academy and the General Staff Military Academy with gold medals. He has served in the Far East, Sakhalin, the Kuril Islands, Chukotka, Kamchatka, and the Caucasus. This past April, under a decision of the Council of the CIS Heads of State, he was appointed commander of CIS Collective Peacekeeping Forces (CPF) in the Republic of Tajikistan.

He is married, with two children and three grandchildren.

[Plotnikov] Valeriy Anisimovich, how does the CPF command assess the situation in the Tajik Republic?

[Patrikeyev] The way to judge something is to compare it to something else. If the present situation is compared to the well known events of one and a half years ago, it is clear that there have been changes for the better. The Republic is beginning to emerge from the shock of the civil war. Common sense is taking the upper hand. Many have understood that bloodshed and armed confrontation will lead to no good. Yet it is still a very long way to full stabilization.

[Plotnikov] What are the Collective Peacekeeping Forces and what tasks have been assigned to them?

[Patrikeyev] The CPF include the 201st Russian Division, a separate motorized rifle battalion from the Republic of Uzbekistan, and one platoon from Kirgizia. Recently, I visited the border area. I saw the way the Uzbeks go about their duties. I was satisfied with their battalion. The personnel are showing good team spirit. It was gratifying to note that, and commend them.

So far, Kazakhstan has not detailed a single person. I have talked with the leadership of that country. I was assured that the question would be decided soon and that a whole battalion is virtually ready to be dispatched; yet so far things are what they are.

The CPF's tasks were defined by the 15 April 1994 decision of the Council of the CIS Heads of State, which we are implementing consistently. First of all this is to assist normalization of the situation on the Tajik-Afghan border in order to stabilize the general situation in the Republic of Tajikistan. Also, to provide conditions for a dialogue between all parties concerned on ways to a political settlement of the conflict. Furthermore, we are tasked with facilitating protection and distribution of emergency and other humanitarian aid, creating conditions for a safe return of refugees to their homes, protecting the infrastructure required for the above purposes, and protecting other vital installations. The Collective Peacekeeping Forces deserve definite credit for the fact that the negotiating process has gotten under way.

[Plotnikov] Why are there no units from the Tajikistan Internal Affairs Ministry in the CPF?

[Patrikeyev] Prior to 15 April they were part of the Collective Peacekeeping Forces. But this did not correspond to the UN Charter. Therefore, a decision was made to withdraw them from the CPF.

[Plotnikov] What is the attitude toward the Collective Peacekeeping Forces on the part of the local population?

[Patrikeyev] Wherever I have been I have seen the most well-disposed attitude toward us. People very much want peace to be restored in the long-suffering land of Tajikistan.

In the course of a recent trip to Gornyy Badakhshan, meeting with leaders of groups which, to put it mildly, do not quite agree with the line of the Tajik leadership, I did not note any rejection of the CPF on their part either. Incidentally, after conversations with them I got the impression that they really want peace for their fellow countrymen and that they are not against dialogue.

[Plotnnikov] How do the CPF interact with the country's leadership, with the border guards, and the Defense Ministry of the Tajik Republic?

[Patrikeyev] As CPF commander I have developed a very good relationship with the Tajikistan leadership. We have full mutual understanding on virtually all questions.

Interaction with the border guards is efficient at all levels: from us commanders, down to CPF elements and border guard posts. It was to a very large extent thanks to close interaction between the Moscow and Pyandzh border guard divisions in their mission areas that there have been few provocations and attacks.

Likewise there is effective interaction with the Tajikistan Defense Ministry and its military formations.

[Plotnikov] Tajikistan is flooded with weapons and without disarmament it is impossible to achieve full stabilization. It has often been suggested that only the CPF can cope with this task....

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[Patrikeyev] I agree that full stabilization can occur only when weapons remain only with those who have a legitimate right to have them: the Army, the Internal Affairs Ministry, and other power structures. But disarmament is the internal affair of the Tajikistan Republic, and it is being handled by its law enforcement bodies.

I should like to stress once again that for the CPF there are some clear-cut tasks delineated by the Council of the Commonwealth Heads of State and we are carrying them out consistently. If the Council decides to attach additional functions to the CPF, therefore, we shall exercise them. Yet another thing is also clear. Emergency situations arise, when, as CPF commander, I have the right to make an independent decision. My powers to this effect have been specified.

Military Opposition Leader on Problems Facing Troops

LD2407202294 Moscow NTV in Russian 1700 GMT 24 Jul 94

[Excerpts] Here is a report by our correspondent Boris Koltsov and Vladimir Luskanov on the position of Russian troops in Tajikistan, and other no less significant problems of the Russian military. [passage omitted]

[Begin recording] [Koltsov] We were lucky. Completely by chance, we flew to a border post which is right next to the Vanchskiy pass. There is situated the headquarters of the opposition on the territory of Tajikistan. Therefore, apart from simple soldiers capable of just holding weapons, we were able to meet their commanders, of whose high intellectual level there can be no doubt. General Salam—his full name is (Salam Shom Mufamadey)—is probably the only field commander who does not have a higher education. To his credit he has two courses at a Dushanbe institute of higher education and a mass of sporting prizes for wrestling. But it is to this man that the government in exile has entrusted the command of all opposition forces in the south east of Tajikistan.

[Salam] Many people say that this is a gang of formations here. I think that this is a real army. Our task is to liberate our country from those people who want to destroy the Tajik people.

[Koltsov] It is difficult to say whether General Salam has enough strength to compete seriously with the authorities in Dushanbe. According to observations by the border troops, his troops are not very well armed, and there is no discipline in some detachments. Also, apart from their struggle for liberation, the fighters have a passion for smuggling, including drugs. But nevertheless, one fact is indisputable: The pass linking Gorno-Badakhstan to other parts of Tajikistan is held by them. There are no government troops in the Pamir mountains. Regarding an attack on the capital, everything depends on the government in exile.

[Salam] We really do have discipline. What we are ordered to do by the government in exile, we subordinate ourselves to.

[Koltsov] They will subordinate themselves if an agreement is reached at the inter-Tajik talks.

[Salam] If they come to an agreement, if they tell us that they have signed a peace treaty, our mojahedin will, I think, carry out that order.

[Koltsov] However the general is concerned that the authorities in Dushanbe no longer control the situation and therefore cannot speak for everyone on the other side of the ridge.

[Salam] According to our information, I know that there are people who do not obey Emomali Rakhmonov. There are people like that in Kurgan-Tyube oblast, Regar, Leninabad. They also consider themselves in opposition now.

[Koltsov] It is very likely that the authority in the Republic may change before the presidential elections planned for the end of September. However it is evident that no new government will move to worsen relations with Russia.

[Salam] We have never said anything against Russia, and we have nothing against Russia. If we come to power I think our relations will stay the same as now.

[Koltsov] The only thing which could worsen good relations is a change in the position of the border troops and peacekeeping forces in Tajikistan. For the time being they are neutral, but one order is enough for friends to become enemies, and then diplomacy will be fogotten.

This is Boris Koltsov and Viktor Shcherbakov, NTV, from Gorno-Badakhstan.

Turkmenistan

Niyazov Meets With Iranian Energy Minister

LD2207182394 Tehran IRNA in English 1514 GMT 22 Jul 94

[Text] Moscow, 22 July, IRNA—Iran's Minister of Energy Bijan Namdar-Zangeneh currently visiting Turkmenistan today met with Turkmen President Safarmurad Niyazov in Ashgabat.

In the meeting Niyazov referred to the role of Iranian President Akbar Hashemi-Rafsanjani in expanding the fruitful relation between the two countries and thanked the Iranian authorities.

He also discussed with the Iranian minister transferring of the Turkmenistan's electricity via Iranian soil to some other countries and also supplying the needs of his country by electric equipment and investment in the related industries.

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The two sides voiced their willingness for using the underground and surface water resources and called on the two countries' experts to review the matter in their talks in a near future.

Zangeneh at the head of a delegation arrived in Ashgabat on Thursday [21 July].

Reach Engineering, Water Agreements

LD2307170194 Moscow ITAR-TASS in English 1456 GMT 23 Jul 94

[Report by ITAR-TASS correspondent Anna Kurbanova]

[Text] Ashkhabat 23 July—Turkmenistan and Iran have agreed the main guidelines of bilateral cooperation in power engineering and water conservation.

The agreement was reached during the talks with visiting Iranian Minister of Power Engineering Birjan Namdar Zanganeh. The sides expressed interest in supplying Turkmen electric power to third countries via Iran and in integrating the Iranian and Turkmen power systems, as well as joint construction of dams on border rivers and building facilities in Turkmenistan to make water conservancy equipment.

However, the sides failed to agree energy transit tariffs and the cost of cooperation projects. These issues will be ironed out at the Iranian-Turkmen summit meeting to be held in Teheran on 16 August 1994.

In the run-up to the summit meeting Turkmenistan has already been visited by the Iranian ministers of transportation, industry and oil.

Uzbekistan

Official Assesses NATO Delegation Visit

LD2207205494 Moscow INTERFAX in English 1846 GMT 22 Jul 94

[Text] Cooperation between Uzbekistan and NATO within the scope of the Partnership for Peace program will be limited to working out and implementing a program for education of qualified military specialists for the Republic, Chief of the Uzbek Foreign Ministry's Department of International Organizations Saidmakil Saidaminov told INTERFAX. He was commenting on the results of a one-day visit by the NATO delegation to Tashkent.

Saidaminov said that the participation of Uzbekistan in the NATO Partnership for Peace program did not contradict its simultaneous participation in the Non-Alignment Movement. He said that other Asian countries, including China, had reacted to this decision by Tashkent calmly, without condemning it.

During its visit to Uzbekistan the NATO delegation, led by NATO Ambassador Gerhard von Moltce, conducted consultations in the Uzbek defense and foreign ministries.

Government Outlines Hard Currency Account Rules

LD2307180394 Moscow Mayak Radio Network in Russian 1700 GMT 23 Jul 94

[Text] From 1 August thru end of 1994, every citizen is entitled to buy $250 at the rate determined by the Republic's Central Bank. This measure is outlined in the resolution "On measures aimed at ensuring internal convertibility of the national currency," which was published in Tashkent. The document gives every individual a right to open hard currency accounts in the republic's commercial banks. Hard currency is to be bought from citizens without any restrictions.

Ministers Make Internal Convertibility Decision

LD2407150494 Tashkent NORODNOYE SLOVO in Russian 23 Jul p 1

[Text] The decision of the Cabinet of Ministers of the Republic of Uzbekistan on measures for guaranteeing the internal convertibility of the national currency of the Republic of Uzbekistan with the aims of strengthening the currency circulation, increasing the purchasing potential and the stage-by-stage guarantee of the internal convertibility of the national currency—the "sum"—the Cabinet of Ministers decides:

1. To guarantee beginning 1 August 1994 on the territory of the Republic of Uzbekistan the exchange of the cash "sum" by physical persons into freely convertible currency; and to give the Central Bank and the National Bank for Foreign Economic Activity of the Republic of Uzbekistan the right to carry out the exchange outlined above through special exchange points within its jurisdiction. The Central Bank is to examine and forward proposals, within two weeks, to the Cabinet of Ministers on giving licenses to authorized commercial banks to carry out exchange of cash sums into freely convertible currency at the expense of their own hard currency reserves.

2. To establish that:

- Exchange into freely convertible currency applies only to declared cash "sums"—the national currency of the Republic of Uzbekistan;
- Exchange of the "sum" into freely convertible currency will be carried on the basis of the course set by the Central Bank of the Republic of Uzbekistan, with a commission in the order set by the Central Bank of the Republic of Uzbekistan;
- The amount of "sum" which can be changed into freely convertible currency through the exchange points by one physical person who is a citizen of the Republic of Uzbekistan (or a resident of equal status)

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until the end of 1994 is $250;
- Exchange of the "sum" into freely convertible currency by a nonresident is carried out within the framework of the amount set earlier for the purchase and sale of the freely convertible currency into the "sum" by declaring the receipt issued by the exchange point;
- The purchase of the freely convertible currency by the exchange point from physical persons is carried out without any limitations.

3. The Central Bank together with the Finance Ministry of the Republic of Uzbekistan, in regulating the cash money circulation, are to ensure the optimal exchange rate between the volume of the "sum" and the freely convertible currency taking into consideration supply and demand.

4. Taking freely convertible currency outside the boundaries of the republic is permitted beginning 1 August 1994:

One physical person who is a citizen of the Republic of Uzbekistan (or residents of equal status) is allowed up to $500;

For a nonresident the amount taken out will depend on the freely convertible currency brought into the republic as declared in the customs declaration.

The amount of freely convertible currency taken out above the set amount is allowed with the permission of the Central Bank or the National Bank for Foreign Economic Activity of the Republic of Uzbekistan.

5. To maintain the existing order for the realization of goods and provisions of services, side by side with the "sum," in freely convertible currency (FCC).

6. To establish that physical and legal entities, regardless of the form of ownership, have the right to:

- Open an account in hard currency in authorized banks of the Republic of Uzbekistan;
- Receive, in accordance with the established order, means from their hard currency accounts, and also interest on them in foreign currency or in "sums" at the exchange rate set on the day this operation is being carried out.

7. To establish that:

- The noncash exchange of the "sum" into freely convertible currency is carried out in the order determined by the Central Bank of the Republic of Uzbekistan, through trading at the Uzbek Republican hard currency exchange;
- Inter-state accounts are settled on the basis of clearing, taking into account the goods and services, in freely convertible currency.

8. To approve the conditions formulated by the Central Bank of the Republic of Uzbekistan on the exchange point and regulations for carrying out the operations with cash freely convertible currency.

9. The Central Bank of the Republic of Uzbekistan, the National Bank for Foreign Economic Activity, the Ministry of Internal Affairs, the Ministry of Communications of the Republic of Uzbekistan, the Council of Ministers of the Republic of Karakalpakistan, Hakimiyats [administrative centers] of the oblasts, and the city of Tashkent are to ensure the proper functioning of the specialized exchange point, and installing the necessary equipment and their protection, staffing them with qualified workers, and strict supervision over their observance of the regulations for exchange operations.

10. To establish that the payment of wages by self-financing enterprises, organizations, and institutions is done within the framework of their own resources in the set order. To set up special commissions within the Hakimiyats of the oblasts and the city of Tashkent for tackling questions related to enterprises, in exceptional cases, releasing credits for wages. Making as part of the special commissions' activities the task of examining and forwarding the corresponding proposals to the republican commission for money and credit policy (the Finance Ministry of the Republic of Uzbekistan). The final decision on this question will be made by the republican commission. The republican commission together with the Council of Ministers of the Republic of Karakalpakistan, Hakimiyats of oblasts, and the city of Tashkent are to ensure the setting up of the mentioned special commissions within a period of one week. Commercial banks, from the day this decision becomes effective, can only release credits directed at payments for wages to a working subject, regardless of the form of ownership, only by the decision of the republican commissions. The Central Bank of the Republic of Uzbekistan is to establish strict supervision over the implementation of the outlined instructions.

11. The Ministry of Internal Affairs and the Procurore of the Republic of Uzbekistan are to ensure strict supervision over the strict observance of the established order for the implementation of hard currency operations, to firmly try the violators as outlined in the existing legislation. The Ministry of Justice together with the Central Bank of the Republic of Uzbekistan are to formulate proposals, within a period of 10 days, on introducing firmer trials, including criminal, for violating the hard currency legislation of the Republic of Uzbekistan.

12. Ministries and departments are to bring, within two weeks, their normative acts in line with the current decision.

13. Supervision over the implementation of the current decision will be placed upon B.C. Hamidov, deputy prime minister of the Republic of Uzbekistan.

[Signed] I. Karimov, chairman of the Council of Ministers. City of Tashkent
[Dated] 21 July 1994

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Armenia

Azerbaijani Forces Said To Fire on Northeast

NC2307130094 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0709 GMT 23 Jul 94

(Text) Yerevan ("Hayastani Hanrapetutyun" daily-Armenpress), 07/23/94—The Azeri army carried a regular provocation in the direction of North-Eastern borders of Armenia on July 22.

Press center of RA [Republic of Armenia] Defense Ministry reported that the enemy opened fire in the direction of the Armenian defense positions at the village of Sevkar [name as received] in the Idzhevanskiy district from 1:10 till 2 am, using virtually all kinds of weapons. No casualties are reported. The Armenian frontier forces refrained from returning the fire.

Kazimirov Expected for Further Karabakh Talks

944K1835F Yerevan RESPUBLIKA ARMENIYA in Russian 21 Jul 94 p 1

["Unattributed article under the rubric "Peacemaking": "With a New Mission"]

[Text] During the last part of July an ambassador with special instructions from the Ministry of Foreign Affairs of Russia, the personal representative of the president of the Russian Federation in negotiations on the Karabakh conflict, Vladimir Kazimirov, will visit Baku, Yerevan, and Stepanakert again. His plans include discussion of issues of peaceful regulation of the Armenian- Azerbaijani conflict. The parties will continue to work on large political and military-technical agreements, which are to be signed by the leaders of the opposing sides. According to available information, the main theme of the negotiations will be the question of interaction of Russia and the CSCE as intermediaries and, in this connection, V. Kazimirov's recent meeting with the chairman of the Minsk group of the CSCE, Jan Eliasson, in Stockholm.

Prime Minister, Russians Focus on Refugee Problem

944K1835B Yerevan RESPUBLIKA ARMENIYA in Russian 21 Jul 94 p 1

[Unattributed report under the rubric "Official Chronicle"]

[Text] On 19 July Prime Minister of the Republic of Armenia G. Bagratyan received the leader of the Federal Migration Service of Russia, Tatyana Regent, and individuals in her party. During the course of their conversation they discussed a number of issues arising out of the bilateral agreement on mutual protection that was signed that same day. She also discussed the experience and problems with moving 1.5 million Russian refugees out of the CIS countries and providing social protection for them. There was also discussion of the fate of Armenian refugees from the conflict zones in Abkhazia and the Nagorno-Karabakh Republic to Russia. Regarding the departure of Russians from Armenia, the parties emphasized that the reason for this has to do with the republic's socioeconomic position and by no means its political position.

Prime Minister Tours Nuclear Power Station

944K1835C Yerevan RESPUBLIKA ARMENIYA in Russian 21 Jul 94 p 1

[Unattributed report under the rubric "Official Chronicle"]

[Text] In order to become familiar with the work of resuming operations and to consider on the spot questions requiring an immediate solution, Prime Minister G. Bagratyan visited the Armenia nuclear power plant. He saw the control panel, the turbine and reactor units, the places where control-decontamination and restoration work is being done, and also the divisions for nuclear energy supply for the station. Special attention was devoted to measures for increasing the earthquake resistance and preparing for the installation of a system of electronic monitoring of the plant's safety. Mr. Bagratyan gave assurances that the nuclear power plant would be put into operation only with guarantees of absolute safety. Subsequently in a conference with the participation of members of the government and plant personnel, technical-economic and financial issues were discussed.

Prosecutor Opens Case Against Ex-Presidential Adviser

LD2207130694 Moscow ITAR-TASS in English 1236 GMT 22 Jul 94

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan July 22 TASS—The Armenian procurator's office instituted this Friday a criminal case against Ashot Manucharyan, a former chief adviser of the Armenian president on national security.

It is clear from a statement by the prosecutor's office circulated here that statements made by the former chief adviser at a rally in Yerevan last Friday were used as a pretext for instituting the case.

The ex-adviser alleged that some political assassinations and attempts on life committed in Armenia over the past few years were masterminded by the president and the interior minister.

The document by the prosecutor's office says that Manucharyan refused to offer explanations and substantiations of his public statements. Moreover, he said that he would not sign a single document brought by the procurator's office.

Commenting on the statement by the prosecutor's office, Manucharyan said later in the day that he would corroborate his accusations with evidence and make appropriate testimonies only at an open trial.

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He claimed that it was not accidental that the procurator's office made its statement after the end of the Armenian parliament's session and at the beginning of the parliamentary holidays.

Azerbaijan

Russian Envoy Kazimirov Arrives in Baku

NC2207200694 Baku TURAN in English 1814 GMT 22 Jul 94

[Text] Baku (July 22) TURAN—This morning special representative of Russia's President for talks on Nagorno Karabakh, Vladimir Kazimirov, arrived in Baku.

Yesterday Vladimir Kazimirov visited Khankendi (Stepanakert) and met with the leaders of Karabakh Armenians, Baburyan and Kocharyan. A day ago he was in Yerevan and met with Armenian President Ter-Petrosyan.

Today Vladimir Kazimirov is due to meet with Azeri President Aliyev. The parties are expected to discuss the issues concerning the Armenian-Azerbaijani conflict.

Meets With Aliyev, Departs

NC2307195394 Baku TURAN in English 1700 GMT 23 Jul 94

[Text] Baku (July 23) TURAN—This morning special representative of Russia's President, Vladimir Kazimirov, left Baku for Moscow.

Last evening he met with President Aliyev. Speaking with Turan's correspondent Vladimir Kazimirov said that "his meetings in Yerevan, Khankendi (Stepanakert) and Baku raise hopes that the truce on the front will be preserved". He also said that "talks in Armenia and Azerbaijan were aimed at conclusion of the Major Political Agreement on the settlement of the Armenian-Azerbaijani conflict".

Aliyev Official Says No Russian Final Settlement Plan

LD2207190594 Moscow INTERFAX in English 1509 GMT 22 Jul 94

[From the "Presidential Bulletin" feature No. 140 (630): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] A well-informed source in the President Aliyev administration has said that at present there is no final version of the Russian plan for the settlement of the Armenian-Azeri conflict. Separate provisions of the draft plan are being constantly imporved.

The plan, as seen by special envoy of the Russian president, Vladimir Kazimirov, said the source, includes the liberation of the occupied territories, the unblocking of communications, the return of the refugees and the discussion of the Nagorno Karabakh status.

The source said that the Russian plan is expected to be realized after the signing of a comprehensive political agreement of the settlement of the Armenian-Azeri conflict.

According to the plan, the liberation of the occupied territories will have several stages.

First, three days, the conflicting sides are to withdraw their troops to 5-10 kilometers, heavy weaponry—up to 20 kilometers. Then the troops are to be pulled out from Agdam and Fizuli (two days). Being created are zones of mutual security, control, and observation posts are to be deployed (50 kilometers).

Disengagement forces are being deployed in the buffer zone. Moscow, according to the source, insists that Russian servicemen be the core of the forces. The observers headquarters are situated in Agdam. Under creation are four auxiliary headquarters, for example, in Khankendi and in some other towns of the Karabakh zone of Azerbaijan.

Second, five days, the troops withdrawal is to be completed from around Djebrail. The exchange of hostages and POWs is to be completed. To be removed are all political, military-technical and other obstacles on the way to restoring normal contacts, including energy, transport, economic and so on, in the conflict zone.

The stage provides for the return of the police force, and refugees to the area of Agdam, Fizuli, as well as to the districts situated in the areas populated by Armenians in Karabakh.

Third, 5 days, the demining and the liberation of the Zangelan district of Azerbaijan. There will be opened the gas pipeline Kazakh (Azerbaijan)—Idzhevan (Armenia)—Nakhichevan (Nakhichevan Autonomous Republic within Azerbaijan). The repair and the restoration of transport lines is expected during this stage.

Fourth, 5 days, the demining and withdrawal of the troops from the Kubatly district of Azerbaijan; the return of Azeri troops to the Djebrail and Zangelan districts.

Fifth, 7-8 days, the demining and liberation of the Kelbadjar area of Azerbaijan. Also planned is the opening of the motor communication and transit to both sides. The local police are to return to Kubatly and Kelbadjar areas of Azerbaijan.

All energy and transport communications are to operate approximately in a month and one week after the signing of the political agreement.

Sixth, final, stage provides the discussion of the status of Nagorno Karabakh and of the future of the Azeri towns of Lachin and Shusha. According to the presidential source, the problem of Lachin and Shusha is the main stumbling block on the way to a comprehensive political

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settlement. The source said that Armenians refuse to liberate the Azeri towns of Lachin and Shusha which are occupied by Armenians.

The source said that Moscow insists on the fact that Nagorno Karabakh should be recognized as a conflicting side. In future Moscow provides for Nagorno Karabakh a status of an autonomous republic within Azerbaijan. This means, said the source that Azerbaijan is proposed to put up with the future transformation of Azerbaijan into a confederative state.

Gasanov on CSCE Involvement in Nagorno-Karabakh

LD2207143794 Moscow INTERFAX in English 1249 GMT 22 Jul 94

[Text] Azerbaijan believes that military contingents from countries representing the CSCE Minsk Group on Nagorno Karabakh: the United States, France, Germany, Italy, Sweden, Hungary, Turkey, Belarus and Russia should be deployed as a peace-keeping force in Nagorno Karabakh, provided a relevant decision is taken.

"We do not object to the participation of any CSCE member- country, including any CIS country," said Azeri Foreign Minister Gasan Gasanov answering an Interfax question at a news conference in Baku.

The minister said that no single contingent should exceed 30% of the total number of the peace-keeping force.

Commenting on the results of the meeting of the Council of Defense Ministers and the Council of Foreign Ministers in Moscow, Hasanov said that the Azeri delegation had refused to discuss four military documents, including the convention on collective security. Hasanov said this was because the CIS had not yet met the Azeri request on sanctions against Armenia. Baku believes that Armenia is carrying out aggression against Azerbaijan.

A mechanism should be worked out within the Commonwealth of Independent States which would prevent the aggression of one member- country against another, Gasanov said.

Guseynov Views Economic Situation

NC2207202494 Baku TURAN in English 1805 GMT 22 Jul 94

[Text] Baku (July 22) TURAN—"I do not oppose the privatisation program, but this process should be conducted reasonably, with consideration of interests of all categories of Azerbaijan's population, and first of all, of the invalids of Karabakh war," Turan was told by prime-minister Suret Guseynov. That was why he sharply critisized the privatization program, recently submitted to the Milli Mejlis for discussion, noted prime- minister.

Guseynov said that at the initial stage, the privatization should begin with enterprises of every day life, small enterprises, incomplete constructions and city transport. "The state's monopoly over the large enterprises should be maintained," said he. Such tactics will meet the population's demands.

Concerning the crisis in economics, Guseynov noted that for bringing an order in this sphere, all the ways of illegal taking out the state's property should be blocked. According to him, bribery and corruption prospers in the country. "The process of artificial declining of the industrial objects with an aim to privatize them profitably, and that certain circles stand behind that, takes place now and a severe policy of the government should be put against that," he said. According to Guseynov, the government has a well worked out program concerning the rise in economy. The measures on the improving the economy will be taken and the restoration of economy in near future is expected.

Concerning the settlement of Armenian-Azeri conflict Guseynov said that he supports the peaceful solution of the conflict by political methods but at the same time Azerbaijan needs a strong army, to be able to defence the territorial integrity of the country. "Karabakh is primordial Azeri land and no one will manage to made us to agree with Karabakh's separation from Azerbaijan," noted Guseynov.

Saudi Arabia To Grant $2 Billion Credit

NC2407070494 Baku TURAN in English 1700 GMT 23 Jul 94

[Text] Baku (July 23) TURAN—Last evening President Aliyev received the representative of "Saudi Finance" group, Shaykh 'Ali Bin-Muhammad al-Naydani.

During the meeting Shaykh explained his programme of cooperation. The programme provides for creation of joint Saudi-Azerbaijani trade-industrial bank with nominal capital totalling 100 million dollars, which in the near future is expected to be increased up to 300 million dollars, building of 5-stars hotel for 400 persons, three skyscrapers for offices and representations of firms, two skyscrapers for representations of foreign firms working in Azerbaijan, one casino, restaurant, supermarket and bank.

He said that he will discuss this issue with construction firms in London on Monday [25 July].

He mentioned that his financial group will send food products to Azerbaijan and will grant 2 billion credit to SOCAR [State Oil Company of the Azerbaijan Republic], 550 million of which will be granted within the first month. 150 million from that sum will be spent for modernization of oil pipe-lines and 14 million dollars for modernization of wells on Guneshli oil-field.

Al-Naydani said that these issues will be discussed with the leadership of SOCAR when it will return to Baku.

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Shaykh said that for realization of these projects Azerbaijan has to cut down the taxes for foreign investors or they will face difficulties in their activity in Azerbaijan.

According to Shaykh 'Ali Bin-Muhammad, the registered capital established in Azerbaijan, which provides for 49 per cent for foreign enterpreneurs and 51 per cent for local enterpreneurs does not suit businessmen of Saudi Arabia.

Al-Naydani said that in Saudi Arabia businessmen do not pay taxes and even in Uzbekistan and Kazakhstan the conditions for enterpreneurship are more acceptable than in Azerbaijan.

President Aliyev said: "I assure that your proposals will be taken into account and we will create conditions not worse than in Uzbekistan or Kazakhstan".

Visit of Shaykh al-Naydani to Azerbaijan followed right after President Aliyev's visit to Saudi Arabia, where he called on business circles of Saudi Arabia to establish close cooperation with Azerbaijan in all spheres of activity.

Gas, Oil Exports for First Half of 1994 Reported

NC2407070094 Baku TURAN in English 1700 GMT 23 Jul 94

[All numbers as received]

[Text] Baku (July 23) TURAN—The volume of oil let out within first six months of 1994 totalled 3,741,499 tons and the volume of gas totalled 2,540,896 cubic feets. It totals 90.7 and 84.9 per cents of the gross oil and gas let out in the same period of 1993.

The volume of oil [words indistinct] in June of 1994 totalled 848,644 tons and of gas—413,662 cubic feets, TURAN was told by SOCAR [State Oil Company of the Azerbaijan Republic].

Georgia

State of Emergency To Continue in West

LD2407122294 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 24 Jul 94

[Text] Here is the decree by the Georgian head of state on continuing the state of emergency in the rayons of Abasha, Vani, Zugdidi, Lanchkhuti, Martvili, Mestia, Ozurgeti, Samtredia, Senaki, Khobi, Khoni, Tsalenjikha, Chokhatauri, and Tchkhorotskhu and the town of Poti:

A. In order to guarantee the security of the population in west Georgia and to reinforce lawfulness in all spheres of statehood and life, on the basis of the 6 November 1992 Law on State Authorities adopted by the Republic of Georgia; and 16 December 1990 Law on State of Emergency adopted by the Republic of Georgia the state of emergency is to be continued in the rayons of Abasha, Vani, Zugdidi, Lanchkhuti, Martvili, Mestia, Ozurgeti, Samtredia, Senaki, Khobi, Khoni, Tsalenjikha, Chokhatauri, and Tckhotrotskhu and the town of Poti as of 23 July 1994 for the period of two months.

B. The Georgian parliament is to confirm the continuation of the state of emergency in west Georgia.
[Signed] Eduard Shevardnadze.

Shevardnadze Discusses Economy With IMF Official

LD2407195794 Tbilisi Radio Tbilisi Network in Georgian 1800 GMT 24 Jul 94

[Text] Georgian Head of State Eduard Shevardnadze today received the director of IMF's Europe II Department, Mr. John Odling-Smee and the head of the South Region at the same department, (Shakman Laval). They discussed the hard economic situation in Georgia and the ways which would lead the country out of the crisis. It was noted that radical economic reforms had to be carried out in the country, that structural changes had to be made, and the state should interfere as little as possible in economic processes. It was mentioned at the meeting that because there still were many orders for state-produced goods, owners of private enterprises were facing difficulties. It was mentioned at the meeting that privatization had to be carried out, prices liberated, and the payment system organized. Meanwhile, a great deal of attention should be paid to the timely payment of the foreign debt. People should comprehend that for their own welfare it is important to go for radical reforms.

The head of state thanked his guests for their recommendations and mentioned that the hardship had been brought about because of both objective and subjective reasons, and that the country had been living under war conditions, and that now there were tendencies for stabilization which would be a prerequisite for coming out of the current crisis.

This was the information by the Contact news agency.

Prime Minister Meets IMF Official

LD2307114894 Tbilisi IBERIA in Georgian 1015 GMT 23 Jul 94

[Text] Tbilisi, 23 [July]—On 22 July, the Georgian Prime Minister, Otar Patsatsia, met the Director of the IMF's Europe II Department, Mr. John Odling-Smee.

The Georgian prime minister familiarized the guest with some issues related to the economic crisis of Georgia. John Odling-Smee said that the financial situation in Georgia was undergoing serious difficulties and that the introduction of structural reforms was important at the given moment, enterprises should be made tax exempt and they must be given a possibility to regulate prices themselves. Otar Patsatsia noted that the suggestions were fair but the current situation had been brought about by a hard situation in the country and that Georgia at the given moment needed a specific help from the IMF.

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IMF Official Meets Vice Premier

LD2407125994 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 24 Jul 94

[Text] Vice Prime Minister Tamaz Nadareishvili received the World Bank delegation led by Mr. John Odling-Smee, director of the IMF's Europe II Department, yesterday.

The guests expressed their concern about the return of refugees and the prospects for the restoration of the Abkhaz economy and payment system during the next 6-12 months. Mr. Nadareishvili stressed that all of this is closely connected with the timely return of refugees and added that the Georgian authorities were doing their best to settle this issue. As for introduction of the Georgian coupon on the Abkhaz territory, according to Nadareishvili, strengthening the coupon will facilitate an uncomplicated settlement of this issue, and the World bank's support and help in these matters are very important.

Shevardnadze Meets U.S. Envoy, Discusses Aid

LD2307082494 Tbilisi Radio Tbilisi Network in Georgian 0500 GMT 23 Jul 94

[Excerpt] On 22 July, Eduard Shevardnadze, chairman of the Georgian parliament and head of state, met Kent Brown, U.S. ambassador extraordinary and plenipotentiary to Georgia. The head of state once again expressed his gratitude towards the U.S. President and Government for the aid rendered to the republic. Shevardnadze stressed the importance of the UN Security Council's resolution envisaging joint operations with the CIS troops in Abkhazia. In Shevardnadze's words, this resolution is the basis for the beginning stage of the refugees' return. The Tbilisi conference of the Russian-Georgian conference of business circles was positively assessed at the meeting. The idea was voiced to set up multi-sided economic links which envisages unification of several countries in joint ventures. [passage omitted]

Shevardnadze Seeks More CIS, UN Cooperation in Abkhazia

LD2307175994 Moscow ITAR-TASS in English 1657 GMT 23 Jul 94

[By GIA for ITAR-TASS]

[Text] Tbilisi July 23—Georgian Leader Eduard Shevardnadze called for the most active measures to ensure prompt and safe return of refugees to Abkhazia.

In an interview with GIA-TASS on Saturday, Shevardnadze said that for this process to be prompt and well-organised, effective security measures should be taken in the entire war zone.

"The CIS and the UN must act more decisively," he stressed. "Otherwise, the first successful stage will be followed by disappointment and there will be no precedent of cooperation which is considered to be the most encouraging (solution) in this conflict."

Commenting on the UN resolution authorising the commencement of the first joint peace-keeping operation in Abkhazia, Shevardnadze noted that "under these circumstances the importance of the UN role in this process doubles."

"Cooperation between UN observers and CIS peacekeepers in Georgia is a noteworthy example of interaction between regional and international organisations," he said.

Shevardnadze pointed out that the role of the UN High Commissioner for Refugees has grown immensely lately. In his view, the office of the high commissioner should enforce the implementation of the first stage of settlement in Abkhazia and ensure the safe return of refugees and displaced persons to their homes.

"We have placed our confidence in Russia and the United Nations. We believe that they will cope with this great responsibility," Shevardnadze said.

Russian Peacekeepers Arrive, Set Up Headquarters

LD2307111094 Tbilisi IBERIA in Georgian 1015 GMT 23 Jul 94

[Text] Tsalenjikha, 23 [Jul]—Russian peacekeeping forces have been deployed in Tsalenjikha. Headquarters have been set up in Potskho, Jvari, and Tsalenjikha. Mobile pickets have also been set up. Curfew comes in force as of 2200 [1800 GMT]. Peacekeeping forces are acting in cooperation with police. There have been no complications after their deployment in the rayon.

Kodor Disengagement Agreed 'in Principle'

MM2207114594 Moscow KRASNAYA ZVEZDA in Russian 21 Jul 94 p 1

[Report by Aleksandr Manushkin: "Stumbling Blocks in Kodor Gorge. Our Special Correspondent Reports From Abkhazia"]

[Text] Gali-Sukhumi-Moscow—All the attention of the peacemaking forces in the Georgian-Abkhazian conflict zone is now concentrated on the Kodor Gorge. Not only because this is one of the most inaccessible areas. Whereas Russian peacemaking subunits have placed posts on the Inguri river and relative calm has been established there, armed confrontation still persists in Kodor Gorge.

The Abkhazian side is insisting on the speediest withdrawal of the guerrillas from there, while the Georgians are claiming that it is local inhabitants' (Svanetians') self-defense forces that are there and that these supposedly do not come under their jurisdiction. At any rate the

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confrontation in Kodor is explosive—a stumbling block that could destabilize the entire situation in the region.

The Russian peacemaking forces are ready to place posts there. But why send people into the thick of it and risk their lives? First it is necessary to secure the disengagement of the armed groupings and a guaranteed cease-fire. It is to this end that a reconnaissance company of airborne troops under the command of Captain Vladimir Moskalenko was sent there by decision of Colonel General Georgiy Kondratyev, Russian deputy defense minister. The detachment was led by a representative of the peacemaking forces' staff, Colonel Vladimir Kravchuk, an experienced intelligence officer who fought in Afghanistan. He was instructed to hold talks with the warring sides.

This extremely difficult foray took more than a day. They had to overcome more than just the mountain slopes and steep passes in the Kodor Gorge. The talks with representatives of the conflicting groupings were also difficult. But by and large the task was performed. It proved possible to reach agreement in principle on the disengagement of the warring detachments.

An airborne troop subunit has now been sent to Kodor Gorge to patrol the region. Russian peacemaking forces intend to post men there. Light has begun to appear at the end of the tunnel. But I think it will be no easy matter to establish peace in this Georgian-Abkhazian conflict zone. The hostile sides constantly make complaints against one another, and preliminary accords are hedged around with various conditions and demands, which reduces the effectiveness of the Russians' peacemaking efforts and renders their activity difficult.

There is still no agreement between the Georgian and Abkhazian sides on the refugee problem either. There have already been several rounds of talks. But nothing has come of them. There is a problem, in particular, over the questionnaires that refugees are supposed to complete when they return home. As Enver Kapba, deputy chairman of the Abkhazian Council of Ministers, said, the completed questionnaires will not be accepted for examination without certain addenda. The Abkhazian side is insisting on a declaration also being completed—a document whereby refugees guarantee to observe Abkhazia's laws....

Regrettably, Russian troops are still the only peacemaking force here. But Major General Vasiliy Yakushev has been appointed commander of joint peacemaking forces. I stress, joint. During conversations with me he repeatedly voiced the hope that subunits from other CIS countries would arrive after the 18-19 July session of the Council of Commonwealth Defense Ministers. But, as the session showed, they are not dying to come to the conflict zone. Yet the Russian battalions here are patently inadequate. The reluctance of many CIS countries to share this burden of responsibility is another stumbling block to resolving the Georgian-Abkhazian conflict altogether and the problems of the Kodor Gorge in particular.

Tbilisi Rally Demands Shevardnadze Resignation

NC2207201294 Yerevan SNARK in English 1550 GMT 22 Jul 94

[Text] Tbilisi, 22 July (SNARK)—Another sanctioned meeting was organized by the opposition in Tbilisi today which demanded the resignation of Eduard Shevardnadze as a head of the state. Oppositioners also required emergency session of the Georgian parliament and one-hour appearance by TV.

Official Doubts Compromise on Georgian-Abkhaz Conflict

LD2207191594 Moscow INTERFAX in English 1509 GMT 22 Jul 94

[From the "Presidential Bulletin" feature No. 140 (630): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] The Georgian leader's Aide Irakly Machavariani said he doubted that a compromise could be achieved in settlement of the Georgian-Abkhaz conflict until the present Abkhaz leaders were in power.

However, Machavariani, who is a member of the Georgian delegation at talks on settlement of the Georgian-Abkhaz conflict, said in an interview with Interfax today that the position of Abkhazia had recently become more realistic. "Though the Abkhaz leaders have not yet rejected the idea ob complete independence of Abkhazia, they already realized that neither the world community nor Russia will support it," he said.

Machavariani said he believed that settlement of the issue on the political status of Abkhazia would automatically resolve all other disputed problems.

Machavariani said he was sure that return of refugees to the Abkhaz region of Ghali would begin in the near future despite the efforts of Abkhazia to condition this issue with that on its political status.

IF Notice: About 2,000 refugees from Abkhazia went on a sit-down strike near the headquarter of the Russian peacekeeping forces in the Rukhi Village of the Georgian region of Zugdidi today. Refugees protested the delay in settlement of the issue concerning their return home. Refugees said their action would go on until they received a definite answer and were told when they would return home, well-informed sources in Tbilisi told Interfax.

Shevardnadze Proposes Meeting With N. Ossetian President

LD2207153594 Moscow ITAR-TASS in English 1435 GMT 22 Jul 94

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz July 22 TASS—President Eduard Shevardnadze of Georgia proposed to hold a meeting

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with his North Ossetian counterpart Akhsarbek Galazov to discuss normalization of Ossetian-Georgian relations, social-economic and interethnic problems in the Caucasian region.

According to press office of North Ossetian president and government, Shevardnadze made the proposal when he met with North Ossetian governmental delegation led by Taimuraz Kusov, head of the republic's nationalities committee.

Cabinet Adopts Decree on Ferrous, Non-Ferrous Metals

LD2407142594 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 24 Jul 94

[Text] The Cabinet of Ministers of Georgia adopted a decree on 21 July 1994 on improvements in the production of ferrous and non- ferrous metals.

The decree stressed that there had been instances of purchasing metals from Georgian enterprises by private individuals and structures. Parts of railway carriages and cars are shipped in ports of Batumi and Poti and they get smuggled out of the country. All this is happening at the time when metallurgical works and car factories are lying idle due to short supply of the raw material.

The Cabinet of Ministers has asked the railway and transport departments not to allot railway cars and trucks for the transportation of metals to west Georgia unless a relevant decree has been issued.

The Naval Department has been ordered to prohibit export of metal from the ports of Poti and Batumi.

The Customs Department has been ordered to introduce strict control over the illegal export of ferrous and non-ferrous metals through the customs checkpoints in Batumi, Sarpi, Poti, and Akhaltsikhe.

The Interior Ministry of Georgia, the traffic police department, the department for monitoring lawfulness in transport matters, the Security Service, and the State Control Chamber have been ordered to carry out active measures to rule out the transportation of metal to west Georgia, as well as delivering and concentrating metal in ports.

The Committee for Foreign Economic Relations has been suggested not to issue licences for exporting metals and not to prolong the validity of the already available licences.

Besides, in order to improve the gathering of scrap metal, the Cabinet of Ministers has ordered the Railway Department to allot railway carriages for the transportation of scrap metal.

The Cabinet of Ministers declares [word indistinct] ferrous and non-ferrous metals as strategic raw material, therefore, ministries, departments, concerns, enterprises, the mayors' offices of towns and administrators' offices of rayons must secure the implementation of the above decree.

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Estonia

Meri To Press for 31 Aug Russian Troop Withdrawal

LD2507091694 Moscow ITAR-TASS in English 0844 GMT 25 Jul 94

[By ITAR-TASS correspondent Albert Maloveryan]

[Text] Tallinn July 25 TASS—Estonian President Lennart Meri will press for Russian withdrawal from the Baltic state by August 31 at his summit meeting with Boris Yeltsin scheduled for Tuesday [26 July] in Moscow.

According to the Estonian side, the summit should resolve contradictions between Russia and Estonia and prove to the world public that Estonia has political will to ensure the pullout of Russian troops from the republic by August 31, 1994.

Russian-Estonian talks are in a deadlock at present because Estonia refuses to grant social and political guarantees to retired Russian military living in the Baltic state.

Russia refuses to withdraw from Estonia until it observes human rights of the Russian-speaking population there.

Local observers believe that the necessary compromises can be reached at the upcoming summit; however, they note that they are yet to be approved by the parliament which does not have smooth relations with the Estonian leader.

Luik: Withdrawal Test of Russian Democracy

WS2507100694 Tallinn BNS in English 1628 GMT 22 Jul 94

[Text] Tallinn, Jul 22, BNS—The decision by Moscow to stop the troop withdrawal from Estonia is inconsiderate to the Russian military living in Estonia and to their family members, Estonian Foreign Minister Juri Luik said.

"It is not only the methods that Russia uses in communicating with Estonia that worry us, but also the lack of consideration that Russia shows toward its military and their family members who are still here. Those people for a long time already have had their suitcases packed and are waiting to get home. The press release by Russia's Northwestern group of armed forces, which claims the troop withdrawal from Estonia has been stopped, throws these people back into uncertainty," Luik said.

The foreign minister said the whole international community was watching how the last Russian troops were leaving the Baltic states, "regarding it as the touchstone for the Russian democracy." Luik said the democratic forces in Russia mustn't back down before those who consider it their task to retain military presence in the Baltics and are attempting to restore the Soviet Union.

"It is by no accident that General Aleksandr Lebed, notorious for his participation in the war in Moldova, has begun to write articles of slander against Estonia, criticizing Estonia without choosing words in the International Herald Tribune," Luik said in a written release to the press. The Estonian foreign minister in this connection also reminded a recent public appeal by the same author in Russia's IZVESTIYA newspaper, in which Lebed cited the former regime of Augusto Pinochet in Chile as a development pattern that Russian should follow.

Luik insists that each new step in the Estonian-Russian relations must be aimed toward normalization of the bilateral relations. "The staying of troops here and delays in their withdrawal are by no means contributing to achieving this aim," he said.

Laar: Troops Must Leave 'Unconditionally,' 'Completely'

LD2207130194 Tallinn Radio Tallinn Network in Estonian 1200 GMT 22 Jul 94

[Text] Prime Minister Mart Laar said in response to yesterday's news from the press service of the Russian Northwestern Group of Troops [on Russia halting its troop withdrawal] that this is yet another act of pressure by Russia. It is designed to force Estonia to concede. In Laar's opinion such methods of pressure are regrettable, because during the last round of talks, Russia did not in fact touch upon the issue of Russian military pensioners.

According to the prime minister, Estonia retains her position that Russian troops, unconditionally and completely, must leave Estonia by 31 August. Mart Laar emphasized that we plan to make no unilateral concessions. Estonia has laws which meet European requirements and they are being observed here, the prime minister said. Mart Laar said it is impermissible [words indistinct]

Troops' Readiness To Stay Questioned

WS2507121194 Tallinn BNS in English 1500 GMT 23 Jul 94

[Text] Tallinn, Jul 23, BNS—It is impossible to stop the process of Russian troop withdrawal from Estonia, a high-ranking official at the Estonian Border Guard Department told BNS. The official, speaking on condition of anonymity, said Russia had to pull out its troops because the remaining units aren't prepared to maintain activity in Estonia over the next winter.

Troop withdrawal from Estonia was ordered halted by Russian Defense Minister Pavel Grachev Thursday. Despite this, a long train carrying army equipment and dozens of vehicles crossed the border to Russia Friday afternoon, while work continued on the loading of trucks and ammunition on railway cars near Tallinn.

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Latvia

Minister on Russian Withdrawal From Estonia

WS2507121094 Tallinn BNS in English 1127 GMT 23 Jul 94

[Text] Riga, July 22, BNS—Prolongation of the Russian army's presence in Estonia threatens the safety of all the Baltic states, Latvian Defense Minister Valdis Pavlovskis told BNS when commenting the announcement of the Russian North West Army Group (RNWAG), spread on Thursday, on suspension of the troops' pull-out. Pavlovskis noted that the presence of another state's army creates instability in the state.

The RNWAG Press Center's representative told BNS on Friday that the decision to suspend the Russian army withdrawal from Estonia was taken by RNWAG Commander-in-Chief Leonid Mayorov. He motivates his action saying that the Russian-Estonian talks on army withdrawal had got in a "blind alley." Answering the question if this action was coordinated with the Russian Defense and Foreign Ministries, the press center's representative said that Mayorov is Russia's responsible official in army withdrawal issues therefore he had rights to take such a decision.

In return, the INTERFAX news agency reports that the order on suspension of the Russian army withdrawal from Estonia was issued by Russian Defense Minister Pavel Grachev, in compliance with Russian President Boris Yeltsin's instructions.

Parliament Adopts New Version of Citizenship Law

LD2207150594 Moscow ITAR-TASS World Service in Russian 1400 GMT 22 Jul 94

[By BALTIJA correspondent Vladimir Chepurov—TASS]

[Text] Riga, 22 Jul—The new version of the Latvian citizenship law, in which criteria for naturalization has been defined more precisely, was adopted today by the parliament of the republic. It has taken into consideration amendments suggested by the president and further elaborated by the judicial commission and the human rights commission of the Latvian parliament. The law was passed with 58 votes in favor, 21 against, and 4 abstentions.

LNNK Proposes To Form New Government

LD2407192894 Riga Radio Riga Network in Latvian 1700 GMT 24 Jul 94

[Text] The Latvian National Independence Movement [LNNK] will take the responsibility of forming a new government. The LNNK has put forward Andrejs Krastins, associate chairman of the Saeima, as a candidate for the prime minister's post.

If State President Guntis Ulmanis invites Krastins to form the Cabinet of Ministers, Krastins will submit a statement about its composition and a declaration of the work planned by the government after 28 July.

The LNNK executive has instructed Andrejs Krastins to form the Cabinet of Ministers, taking into account the practical work done by its prospective members in restoring and strengthening Latvian national statehood, and to create a stable state government structure which would gain permanent support by a majority in the Saeima.

The LNNK executive has established several basic principles for further consultations about the formation of the Cabinet of Ministers and the drafting of a government declaration. They include passage by the Saeima of a law on foreigners according to the draft worked out by the LNNK; the use of state security and the interests of Latvian citizens as a basis for concluding international agreements and accords; the formulation of state social and welfare programs and the passage of corresponding legislation as well as the formulation of the state budget for 1995 and its approval by the Saeima; and the immediate strengthening of the state border and internal security and passage of corresponding legislation.

Minister Reports 6-Month Budget Deficit

WS2507100794 Tallinn BNS in English 1500 GMT 23 Jul 94

[Text] Riga, Jul 23, BNS—The Latvian national budget deficit reached 19.796 million lats in the first six months of this year, Budget Minister Janis Platais told reporters Friday. Between January and June, the budget earned 255.987 million lats, or 44.5 percent of the planned yearly revenue, while the spendings hit 274.353 million lats, or 44.5 percent of the planned yearly expenditure.

As reported, the budget deficit in the first quarter of this year was 15.650 million lats. Under the state 1994 budget law, the admissible deficit is 40 million lats. The budget is expected to spend 593,411,853 lats and collect 556,704,800 lats.

Lithuania

Jursenas Previews Visit by Russian Assembly Group

LD2507135794 Moscow ITAR-TASS in English 1331 GMT 25 Jul 94

[By ITAR-TASS correspondent Vladas Burbulis]

[Text] Vilnius July 25 TASS—"The upcoming visit of a Russian Federal Assembly delegation led by Vladimir Shumeyko in early September 1994 will become the first important step toward forging inter-parliamentary ties between Lithuania and Russia," Lithuanian Parliament Chairman Ceslovas Jursenas said.

In an exclusive interview with ITAR-TASS on Monday, Jursenas said that "an official agreement about the visit

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has already been reached. We are now working on its programme."

"Because of the well-known events in Russia, relations between the Lithuanian Sejm [Seimas] and the Former Russian parliament were not ver; active," Jursenas admitted. "But I believe that our ;es with the new parliament, both its houses, will grow and expand," he added.

Jursenas also dwelled upon Vilnius's position on the withdrawal of Russian troops from Estonia. This position "has been repeatedly announced by the president, the Sejm, myself and the government of Lithuania—we call for the soonest possible completion of the Russian-Estonian talks on the issue and for the full withdrawal of former Soviet troops both from Estonia and Latvia by August 31, 1994," he said.

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